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CIN : L20101WB1919PLC003557



THE INDIAN WOOD PRODUCTS CO. LTD.

Registered Office 9, Brabourne Road, Kolkata - 700 001

Date: - 09 August 2024

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Script Code - 540954

Dear Sir/Madam

Sub: - Submission of Annual Report for the Financial Year 2023-24

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we are enclosing herewith a copy of the Annual Report of the Company for the Financial Year 2023-2024.

Please also note that the Company has completed the electronic dispatch of the Annual Report 2024 of the Company on 09th August 2024 through an e-mail to the members whose e-mail addresses are registered with the Company or Depositories Participants as the case may be, and whose name appears as in the register of members/beneficial owners as on 2nd August 2024.

The same has also been uploaded on the website of the Company at www.iwpkatha.com.

This is for your information and dissemination.

Thanking You.

Yours Faithfully,

For The Indian Wood Products Co. Ltd

Anup Gupta
Company Secretary & Compliance Officer
ACS36061

Enclosed: - As Above

INNOVATION : LEADERSHIP : TEAMWORK

**THE INDIAN WOOD PRODUCTS
COMPANY LIMITED**



**104th
ANNUAL REPORT & ACCOUNTS
2023-24**



Plant at IZZATNAGAR, Barielly



Plant at Jammu



CORPORATE INFORMATION

Board of Directors

Chairman & Managing Director

Krishna Kumar Mohta

Whole Time Director & CEO

Bharat Mohta

Non Executive Non Independent Director

Rajendra Prasad Chetani

Chief Financial Officer (CFO)

Raj Kumar Agarwal

Independent Director

Sanjay Kumar Maheswary

Vinod Kumar Maheshwary

Surendra Bagri

Drisha Poddar

Sumant Mimani

Company Secretary (CS)

Anup Gupta

Audit Committee

Sanjay Kumar Maheswary	Chairman
Vinod Kumar Maheshwary	Member
Rajendra Prasad Chetani	Member

Nomination and Remuneration Committee

Sanjay Kumar Maheswary	Chairman
Vinod Kumar Maheshwary	Member
Rajendra Prasad Chetani	Member

Stakeholders Relationship Committee

Rajendra Prasad Chetani	Chairman
Bharat Mohta	Member
Sanjay Kumar Maheswary	Member
Vinod Kumar Maheshwary	Member

CSR Committee

Krishna Kumar Mohta	Chairman
Bharat Mohta	Member
Surendra Bagri	Member

Bankers

1. Union Bank of India, Bareilly
2. DBS Bank India Ltd., Kolkata
3. Yes Bank Ltd, Kolkata

Statutory Auditor

S K Agrawal and Co
Chartered Accountant LLP
(Formerly S K Agrawal and Co)
Suit Nos:- 606 - 608
The Chambers, Opp. Gitanjali Stadium
1865, Rajdanga Main Road, Kasba
Kolkata -700 107
Website:- www.skagrawal.co.in
Email:- info@skagrawal.co.in

Registered Office

Bombay Mutual Building
9, Brabourne Road, 7th Floor,
Kolkata- 700 001
CIN L20101WB1919PLC003557
Phone:- 40012813
Fax:- (033) 2242-6799
Email:- iwpho@iwpkatha.co.in
Website:- www.iwpkatha.com

Registrar

M/s. Niche Technologies (P) Ltd
3A, Auckland Place,
Room No. 7A & 7B, 7th Floor
Kolkata- 700 017
Phone No. 033 2280 6616/ 6617
Fax No. 033 2280 6619
Email- nichetechpl@nichetechpl.com



**104TH
ANNUAL GENERAL MEETING
ON
TUESDAY 10TH SEPTEMBER, 2024
THROUGH VIDEO CONFERENCE
OR
OTHER AUDIO VISUAL MEANS**



THE INDIAN WOOD PRODUCTS COMPANY LIMITED
STANDALONE
FIVE YEARS PROGRESS AT A GLANCE

(₹ in Lacs)

	2019-20	2020-21	2021-22	2022-23	2023-24
1. Turnover /Revenue	19491.15	15790.36	17789.63	18369.37	19241.53
2. Profit Before Depreciation, Interest & Tax	2080.09	1129.93	927.80	1189.78	1489.20
3. Interest	653.48	682.41	660.59	678.98	842.49
4. Depreciation	378.97	396.75	385.40	329.81	320.81
5. Profit Before Tax	1047.64	50.77	(118.19)	180.99	325.90
6. Tax	288.66	18.03	(14.46)	42.98	66.89
7. Net Profit	758.98	32.74	(103.73)	138.01	259.01
8. Rate of Dividend (%)	5.00	5.00	2.50	2.50	*5.00
9. Equity	1279.75	1279.75	1279.75	1279.75	1279.75
10. Reserve & Surplus	34178.90	34156.58	34028.25	34143.85	34303.68
11. Earnings Per Share in Rs.	1.19	0.05	(0.16)	0.22	0.40

*Proposed

Note: Figure has been recasted or regrouped



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BOARD'S REPORT

FY2024 represents the fiscal year 2023-24, from 1 April 2023 to 31 March 2024, and analogously for FY2023 and previously such labelled years.

Your Board of Directors is delighted to present the 104th Annual Report on the business and results of operations of The Indian Wood Products Co. Ltd ('IWP' or 'the Company'), together with Audited Financial Statements (Standalone and Consolidated) for the FY2024.

This Board's Report is prepared in compliance with the provisions of the Companies Act, 2013, ("the Act") and the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. FINANCIAL HIGHLIGHTS/PERFORMANCE OF THE COMPANY

Key highlights of Standalone and Consolidated financial performance for the year ended March 31, 2024, are summarized as under: (Rs in Lakhs)

Particulars	Standalone		Consolidated	
	FY2024	FY2023	FY2024	FY2023
Revenue From Operations	19241.53	18369.37	19241.53	18369.37
Profit Before Tax (PBT)	325.90	180.99	432.71	226.61
Tax Expenses	66.89	42.98	66.89	42.98
Profit After Tax (PAT)	259.01	138.01	365.82	183.63
Earnings Per Share	0.40	0.22	0.57	0.29
Equity Share Capital	1279.75	1279.75	1279.75	1279.75
Other Equity / Reserves and Surplus	34303.68	34143.85	34245.77	33998.34

In FY2024, your Company has made robust progress and has delivered better financial results as compared to FY2023. The company has posted a well-rounded performance across key metrics and revenue growth. Importantly, your company has taken significant steps towards becoming building strong organizational capabilities.

• FINANCIAL PERFORMANCE – STANDALONE

The Company has achieved total revenue from operations of Rs. 19241.53 lakhs for the year ended 31 March 2024 as against Rs. 18369.37 lakhs for the year ended 31 March 2023 representing an increase of 4.75%. The Profit Before Tax (PBT) for the year, was Rs.325.90 lakhs as compared to Rs. 180.99 lakhs for the previous year as a result of better realization and

operational efficiencies. During the financial year 2023-24, the Company earned a Profit After Tax of Rs 259.01 lakhs as compared to Rs. 138.01 lakhs in the previous year.

• FINANCIAL PERFORMANCE – CONSOLIDATED

Our Company has one (1) overseas joint venture namely M/s. Agro and Spice Trading Pte Limited, Singapore, as on 31 March 2024, whose accounts were consolidated with the financials of the Company after the PBT level in accordance with the IndAS.

The Profit Before Tax (PBT) for the year, was Rs. 432.71 lakhs as compared to Rs. 226.61 lakhs for the previous year due to the increase in volume, average realization and operational efficiencies. During the financial year 2023-24, the Company earned a profit after tax of



Rs.365.82 lakhs as compared to Rs. 183.63 lakhs in the previous year.

2. DIVIDEND

The Board of Directors is pleased to recommend a final dividend of Re. 0.10 per equity share of the Company of Rs. 2 each, i.e., 5.00% on the paid-up value of the equity shares for the Financial Year ended 31 March 2024, out of free reserves / retained earnings. The said dividend is subject to the approval of shareholders at the ensuing Annual General Meeting (AGM) scheduled to be held on 10th September 2024. The dividend would result in a cash outflow of Rs. 63.97 Lakhs.

The dividend, if approved by the Shareholders at the AGM, will be paid on or from 10th September 2024 and before 09th October 2024.

3. BOOK CLOSURE AND RECORD DATE

In order to determine the eligibility of shareholders to receive the dividend for the FY2024, the Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 04 September 2024, to Tuesday, 10 September 2024 (both days inclusive).

According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. 1 April 2020, and the Company is required to deduct tax at source from the dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

4. SHARE CAPITAL

There is no change in the Share Capital of the Company during FY2024. The paid-up Share Capital of the Company as on 31 March 2024 comprises 6,39,72,720 Equity shares of Rs.2/- each. During the year under review, the Company has not issued any shares.

5. TRANSFER TO RESERVES

As permitted under the Act, the Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for FY 2023-24 in the profit and loss account.

6. REVIEW OF OPERATIONS AND STATE OF AFFAIRS

With the continuous effect on cost control and operational leverage, the Katha division has recorded

better realization from raw material and lower process loss in production.

During the year under review, the Company has achieved a total production of 3310.782 MT Katha in FY 2024 as compared to 3436.613 MT in FY 2023. The decline in the overall production is due to the non-availability of quality raw materials. However, the sales of Cutch (by-product) increased from 990.275 MT in FY2023 to 1162.625 MT in FY2024 thereby registering a growth of 17.40%.

The good financial performance is the combined result of an better price realization on sales and operational efficiencies. The management is focused on achieving desired results coupled with sustained production levels. The trend is likely to continue and we are hopeful to have a better operational and financial performance in FY2025.

During FY 2024, the company had signed MOU with Commercial Motors, a Registered Partnership Firm and M/s. Jai Bala G Infrastructure & Developers for the development of Unused idle land outside the boundary at the Factory Premises of the Company plant at Izzatnagar Bareilly, Uttar Pradesh admeasuring 83612 Sq Mtrs more or less. The said area is presently not in use by the Company for operations and also not required for future expansion of the Company.

Our Company is committed to a clean environment and, thus, always strives to ensure the best measures are implemented to ensure environmental safety. The best of environment, safety and pollution control measures are implemented across all our manufacturing units and the measures adopted are adequate. The management continuously reviews the measures adopted and their efficiency to ensure environmental safety.

The operational performance and results are provided in the "Management Discussion and Analysis Report" as a separate section in this Annual Report.

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year, the Company received an Order from the Income Tax Department under section 147 read with section 144B of the Income Tax Act, for the Assessment



Year 2018-19 for a tax demand of Rs.17,17,49,287/-. The Company believes that the said demand is not maintainable and has filed an appeal against the said order.

For further details on Direct/Indirect Tax Cases, please refer to Note No. 52 to the notes to the accounts.

8. ALTERATION OF MEMORANDUM AND ARTICLES OF ASSOCIATION

During FY2024, the Company had not altered any of its clauses in the Memorandum and Article of Association

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT

There is no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

10. HOLDING, SUBSIDIARIES, ASSOCIATES & JOINT VENTURE

Your Company has no holding, subsidiary or associates' company as on 31 March 2024.

The Company has one (1) overseas joint venture namely M/s. Agro and Spice Trading Pte Limited, Singapore, as on 31 March 2024, which is engaged in the business of trading of spices. PT Sumatra Resources International & Pt. Thea Universal Trade are subsidiaries of the said joint venture M/s. Agro and Spice Trading Pte Limited. PT Sumatra Resources International is engaged in the business of manufacturing Catechins from Gambier with the use of innovative technology.

A statement containing the salient features of the financial statement of the joint venture Company in the prescribed format AOC-1 is annexed herewith as "Annexure - 1".

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone and Consolidated financial statements of the Company, along with relevant documents and separate audited accounts in respect of the joint venture, are available on the website of the Company at <https://www.iwpkatha.com/>

financial_performance.html. These documents will also be available for inspection till the date of the AGM during business hours at the Registered Office of the Company.

11. INDIAN ACCOUNTING STANDARD (IndAS)

Pursuant to the Companies (Indian Accounting Standard) Rules 2015, the Company's Audited Financial Statements for FY2024 are Indian Accounting Standard (INDAS) compliant.

12. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

Internal Audit is conducted by an Independent Professional Firm of Chartered Accountants. The Internal Audit Reports are reviewed and discussed with the senior management team. The representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee meetings. The measures as suggested by the Audit Committee are implemented as per the direction of the Audit Committee.

The controls comprise of:

- a) Officials of the Company have defined authority and responsibilities within which they perform their duty;
- b) All the Banking transactions are under joint authority and no individual authorization is given;
- c) Maker-checker system is in place.
- d) Any deviations from the previously approved matter require fresh prior approval.

M/s. P Suman & Co., Chartered Accountants, appointed to carry out Internal Audit of the Company for the FY2024-25.

13. LISTING STATUS

The Company's equity shares are listed on BSE Limited under Script Code 540954 and ISIN No. INE586E01020. The Company has paid the Annual Listing Fees for FY2024-25.



14. FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. Further, the Company does not have any outstanding amount qualified as a deposit as on 31 March 2024.

15. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In accordance with Regulation 34(2)(e) of SEBI (LODR) Regulation 2015, the "Management Discussion and Analysis Report" section in this Annual Report forms an integral part of this report.

16. REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34(3) of the SEBI (LODR) Regulation 2015, the "Report on Corporate Governance" together with a certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance is included as a separate section in this Annual Report and form an integral part of this report.

17. DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, your Directors hereby confirm and state that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to materials departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the Profit of the Company for that period;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors had prepared the annual accounts on a going concern basis;

- v) That the Directors had laid down internal financial controls in the Company that are adequate and were operating effectively; and
- vi) The Directors have devised proper systems to ensure Compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. CORPORATE SOCIAL RESPONSIBILITY

Your Company is conscious of its Social Responsibility and the environment in which it operates. Over the years, the Company aimed towards improving the lives of the people.

The Company's CSR policy covers activities in the field of eradication of extreme hunger and poverty, promotion of education, promotion of gender equality, empowerment of women, improvement of mental health, slum area development and rural development projects, employment enhancing vocational skills, ensuring environmental sustainability, animal welfare, sanitation including contribution to Swachh Bharat Kosh set up by the Central Government, contribution to the Prime Ministers National Relief Fund or any other project set up by the Central Government.

During FY2024, in compliance with Section 135 of the Act, an amount of Rs. 0.76 Lakhs is required to be spent by the Company on CSR activities. The Company has spent Rs. 40.50 Lakhs as CSR activities towards Animal Welfare, Women Empowerment and the Upliftment of People with disability through IWP CSR Trust. There is no unspent CSR amount as on 31st March 2024.

The CSR Policy may be accessed on the Company's website at: https://www.iwpkatha.com/files/IWP_CSR_Policy.pdf

The Annual Report on CSR activities is annexed herewith as Annexure - 2 and forms a part of this Annual Report.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and as per provisions of the Articles of Association of the Company Mr. Bharat Mohta (DIN: 00392090), Director of the Company, retire by rotation



and is eligible to offer himself for re-appointment.

Mr. Sumant Mimani (DIN 01251535) has been appointed as Director (Independent) w.e.f. 13 February 2024, for a period of 5 years, up to the 108th AGM of the Company to be held in the year 2028. His appointment was approved by the shareholders of the Company through Postal Ballot on 25 March 2024.

Mr. Sanjay Kumar Maheswary (DIN 00497335) will cease to be an Independent Director of the Company upon completion of his second and final term as on Independent Director and subsequently ceased to be a Director of the Company upon conclusion of AGM of the Company to be held on 10 September 2024. The Board places on record appreciation for the contribution made by Mr. Sanjay Kumar Maheswary during his tenure as an Independent Director of the Company.

Mr. Vinod Kumar Maheshwary (DIN 02659320) Independent Director has resigned from the Directorship of the Company with effect from 30 May 2024. Mr. Vinod Kumar Maheshwary informed the Board that his resignation was purely on account of his old age and health issue. The Board places on record appreciation for the contribution made by Mr. Vinod Kumar Maheshwary during his tenure as an Independent Director of the Company.

Mr. Krishna Kumar Mohta (DIN 00702306), Whole Time Director has been re-appointed for a further period of 3 years w.e.f. 01 April 2024 as Chairman and Managing Director of the Company as approved by the shareholders through Postal Ballot on 25 March 2024

Mr. Bharat Mohta (DIN 00392090), Whole Time Director designated as Chief Executive Officer (CEO) of the Company had been re-appointed for a further period of 3 years w.e.f. 01 April 2024 as approved by the shareholders through Postal Ballot on 25 March 2024

A brief profile of Mr. Bharat Mohta (00392090) is given in the Chapter on Corporate Governance and the Notice convening the 103rd AGM for the reference of the shareholders.

None of the Directors of your Company is disqualified under the provisions of Section 164(2) of the Act. A certificate dated 30 May 2024 received from Md

Shahnawaz, Company Secretary in Practice (CP No 15076) certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India ("SEBI")/ Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

During the year under review, none of the Directors of the Company is disqualified as per the applicable provisions of the Act.

The criteria for selection of Directors and remuneration policy are disclosed in the Corporate Governance section which forms part of this Annual Report.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March 2024 are:

- Mr. Krishna Kumar Mohta, Chairman & Managing Director
- Mr. Anup Gupta, Company Secretary
- Mr. Raj Kumar Agarwal, Chief Financial Officer.

There was no change in the KMPs during the year under review.

20. DECLARATIONS BY INDEPENDENT DIRECTORS

In accordance with the provisions of Section 149(7) of the Companies Act, 2013, each of the Independent Directors has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (the Listing Regulations) and they have registered their names in the Independent Directors Databank. Further, pursuant to Section 164(2) of the Companies Act, 2013, all the Directors have provided declarations in Form DIR- 8 that they have not been disqualified to act as Director.

In the opinion of the Board of Directors, all Independent Directors of the Company fulfil the conditions specified in the Act 2013 read with Schedule and Rules issued thereunder as well as under Listing Regulations and are Independent from Management.



21. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) of the Listing Regulations and in line with our corporate governance guidelines, peer evaluation of all Board members, annual performance evaluation of its own performance, as well as the evaluation of the working of Board's Committees was undertaken. This evaluation is led by the Chairman of the Nomination and Remuneration Committee with a specific focus on the performance and effective functioning of the Board and its Committees. The evaluation process, inter alia, considers attendance of Directors at Board and committee meetings, acquaintance with business, communication inter se board members, the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of committee meetings, etc.

The report on the performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to the Directors.

22. MEETING OF THE BOARD OF DIRECTORS

During the year under review, the Board met 5 (Five) times. The details of the Board meetings are provided in the Report on Corporate Governance, which forms a part of this Annual Report.

The intervening gap between two consecutive meetings was within the limit prescribed under the Companies Act, 2013.

23. MEETING OF THE INDEPENDENT DIRECTORS

During FY2024, one meeting of Independent Directors

was held without the presence of the Executive Directors or Management Personnel on 28 March 2024. At such meeting, the Independent Directors have discussed, among other matters, the challenges faced by the Company, growth strategies, flow of information to the Board, strategy, leadership strengths, compliance, governance, HR related matters and performance of Executive Directors.

24. AUDIT COMMITTEE

The Audit Committee of the Board comprises of:

Name of Directors	Category
Mr. Sanjay Kumar Maheswary	Independent Director
Mr. Vinod Kumar Maheshwary	Independent Director
Mr. Rajendra Prasad Chetani	Non-Executive Non-Independent Director

During the year under review, there has been no instance where the recommendations of the Audit Committee have not been accepted by the Board. The details of the Audit Committee meetings are provided in the Report on Corporate Governance, which forms part of this Annual Report.

25. DISCLOSURE UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

During the year under review, neither any application was made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016

26. MAINTENANCE OF COST RECORDS AND COST AUDIT

During the year under review, the requirement of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and audit of cost records were not applicable to the Company.

27. DETAILS OF THE DIFFERENCE BETWEEN AMOUNT OF THE VALUATION:

There was no one-time settlement by the Company with the Banks or Financial Institutions during the year under review, thus, the details of the difference between the



amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof are not applicable.

28. VIGIL MECHANISM

To meet the requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations the Company has adopted a vigil mechanism named Whistle Blower Policy for directors and employees to report genuine concerns, which shall provide adequate safeguards against victimization of persons who use such mechanism. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct, to management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employee who, based on the employee's reasonable belief that such conduct or practice has occurred or is occurring, reports that information or participates in the said investigation.

No individual in the Company has been denied access to the Audit Committee or its Chairman during the FY2024.

29. AUDITORS AND AUDITORS' REPORT

M/s. S K Agrawal & Co Chartered Accountant LLP, Chartered Accountants, (Firm Registration Number: 306033E/E300272) were appointed as Statutory Auditor of the Company by the members at the 102nd Annual General Meeting held on 26 September 2022 for a period of 5 years i.e., from the conclusion of the 102nd AGM until the conclusion of the 107th Annual General Meeting to be held in the year 2027.

The Audit Report of the Statutory Auditors does not contain any qualification reservation or adverse remark or disclaimer. The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

30. DETAILS OF REPORTING OF FRAUD BY AUDITOR

There are no instances of Fraud/ Suspected Fraud

committed against the Company by the Officers or employees of the Company has been detected by the Auditor as required under Section 143 of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

31. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed CS Md. Shahnawaz (Membership No. 21427 CP No. 15076), Practicing Company Secretary, to carry out the Secretarial Audit of the Company for FY2025. The Secretarial Audit Report submitted by him, for FY2024 is annexed herewith marked as Annexure – 3 to this Report.

Explanation or comments by the Board on the qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors - The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, and, therefore, does not call for any further comments.

The Company has undertaken an Annual Secretarial Compliance Audit for FY2024 pursuant to Regulation 24A(2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for FY2024 has been submitted to the Stock Exchanges and the said report may be accessed on the Company's website at https://www.iwpkatha.com/sh_pattern.html

32. SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

33. NOMINATIONS AND REMUNERATION COMMITTEE

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. The Remuneration Policy is available on the website at https://www.iwpkatha.com/files/codes-policies/Policy_Remuneration%20for%20Director%20&%20KMP.pdf



34. REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES

Disclosures relating to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as 'Annexure -4' and forms part of this Board's report.

The particulars of Managerial remuneration as stated in section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, is annexed herewith as 'Annexure- 5' and forms part of this Board's report.

35. RISK MANAGEMENT POLICY

Your Company's Risk Management Framework is designed to enable risks to be identified, assessed and mitigated appropriately. The Risk Management framework seeks to create transparency, minimize adverse impacts on the business objectives and enhance the Company's competitive advantage.

The Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

36. INSIDER TRADING POLICY

The Company's Insider Trading Policy provides the framework for in dealing with securities of the Company by the insider. The Company's Policy in line with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, is available on the website of the Company at https://www.iwpkatha.com/files/codes-policies/Code_of_Conduct_Policy_2019.pdf

37. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2024 is available on the Company's website https://www.iwpkatha.com/financial_performance.html

38. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any Loan or Guarantee covered under the provisions of Section 186 of the

Companies Act, 2013. The details of Investments are disclosed in Note No. 4 to the standalone financial statements, which are within the prescribed statutory limits.

39. CREDIT RATING

During the year under review, ICRA Limited (ICRA) has affirmed the long-term rating of [ICRA]BB+(pronounced ICRA double B plus) and the short-term rating of [ICRA] A4+ (pronounced ICRA A four plus). The outlook in the long term is Stable.

40. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years are also to be transferred to the Demat account of the IEPF Authority.

During the year, the Company has transferred the unclaimed and unpaid dividend of Rs. 1,71,401/-. Further, 12090 corresponding equity shares on which dividends were unclaimed for seven consecutive years were also transferred as per the requirement of the IEPF Rules. The details are provided in the Shareholder Information section available on our website, at https://www.iwpkatha.com/un_dividend.html

41. PARTICULAR OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contractual arrangement with related parties referred to in section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is appended as 'Annexure – 6' to the Board's Report.

The details of related party transactions are disclosed in the notes to the financial statements.

During the FY2024, there was no material Related Party Transactions as defined in Regulation 23 of the SEBI Listing Regulations.

The policy on Related Party Transactions as approved



by the Board is uploaded on the Company's website at [https://www.iwpkatha.com/files/codes-policies/Policy_Related% 20 Party%20Transaction.pdf](https://www.iwpkatha.com/files/codes-policies/Policy_Related%20Party%20Transaction.pdf)

42. DISCLOSURES AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESS) ACT, 2013

The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has set up Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 along with its relevant Rules. The policy on Prevention on Sexual Harassment at Work Place as approved by the Board is uploaded on the Company's website at https://www.iwpkatha.com/files/PREVENTION_ON_SEXUAL_HARASSMENT.pdf

The Committee met once during the FY2024 on February 12, 2024

There was no complaint pending at the beginning and at the end of FY2024. No complaints have been received by the Committee during FY2024.

43. PARTICULARS OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 is given in Annexure - 7 to this Report.

44. HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of the Company. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective; your company makes all efforts on

training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "Great People create Great Organization" has been at the core of the Company's approach to its people.

45. GENERAL

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

46. ACKNOWLEDGEMENT

Your directors take this opportunity to express their sincere thanks to the Central Government and Governments of various states, Financial Institutions, Bankers and Customers for their cooperation and assistance extended.

Your directors also wish to express their deep appreciation for the integrity and hard work of all the employees of the Company at all levels to cope-up the challenging scenario and strive for the growth of our Company.

The Board also takes this opportunity to express their deep gratitude for the continued cooperation and support received from the shareholders.

**For and on behalf of the Board of Directors of
The Indian Wood Products Co Ltd
Krishna Kumar Mohta**

**Kolkata
30th May 2024**

**Chairman & Managing Director
Din No: 00702306**

**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/associate companies/joint ventures**Part “A”: Subsidiaries****Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

	Name of Associates/Joint Ventures	M/s. Agro and Spice Trading Pte Ltd, Singapore
1	Latest Audited Balance Sheet Date	31.03.2024
2.	Date on which the Associates or Joint Venture was associated or acquired	18th April 2016
3	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No. of share	14,00,050 ordinary shares
	ii. Amount of Investment in Associates/Joint Venture	Rs. 93,186,353.65
	iii. Extend of Holding%	50%
4	Description of how there is a significant influence	Through Shareholding
5	Reason why the associate/joint venture is not consolidated	Not Applicable
6	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 10,85,55,027.21
7	Profit/Loss for the year	
	i. Considered in Consolidation	Rs. 87,59,720.49
	ii. Not Considered in Consolidation	NIL

1. Above named Joint Venture are yet to commence operation - NA

2. Name of the Joint Venture which have been liquidated or sold during the year – NIL

**For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)

Raj Kumar Agarwal
Chief Financial Officer

Anup Gupta
Company Secretary
(M No. A36061)

Kolkata
30th May, 2024



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES for the Financial Year 2023-24

[Pursuant to Section 135 of the Companies Act, 2013 as amended read with Notification Issued by the Ministry of Corporate Affairs dated the 22nd of January, 2021 & Rules made thereunder]

1. A Brief Outline of the Company's CSR Policy

In accordance with the provisions of the Companies Act, 2013, as amended read with the Notification Issued by the Ministry of Corporate Affairs dated the 22nd of January, 2021 and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The CSR activities of the Company are executed through "IWP CSR Trust". IWP is committed to ensuring the social well-being of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR). Although CSR was introduced by the Companies Act, of 2013, but was followed by the Company since long to serve society. A CSR policy was framed in accordance with the provisions of the Companies Act, 2013 and Rules framed there under in line with Schedule VII of the said Act. Our CSR Policy covers activities in the field of health, education, environment, Animal Welfare, conservation, sustainability and social business projects.

2. Composition of CSR Committee

Sr. No	Name of Director	Nature of Directorship	No of CSR Committee Meeting Held during the year	No. of CSR Committee Meetings Attended
1	Mr. Krishna Kumar Mohta	Chairman & Managing Director	4	4
2	Mr. Bharat Mohta	Whole Time Director & CEO	4	4
3	Mr. Surendra Bagri	Independent Director	4	4

3. Web link where the composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The web link of the Company where the composition of the CSR Committee, CSR Policy and CSR Project approved by the Board are disclosed is https://www.iwpkatha.com/files/IWP_CSR_Policy.pdf

4. Provide the details of the impact assessment of CSR projects carried out in pursuance of Subrule (3) of rule 8 of the companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.



5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for setoff for the financial year, if any:

Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Prior to 2023-2024	Nil	Nil
Total	Nil	Nil

6. Average net profit of the company as per section 135(5):

The average net profit of the Company for the last three financial years is Rs. 37.86 lakhs

7. (A) Two Percent of the average net profit of the company as per section 135(5):

The prescribed CSR expenditure @ 2% of the average net profits for the last three financial years is Rs. 0.76 Lakhs.

(B) Surplus arising out of the CSR Projects or Programmes or activities of the Previous Financial Years: Nil

(C) Amount required to be set off for the financial year, if any: Nil

(D) Total CSR obligation for the Financial Year (7a+7b-7c): Rs. 0.76 Lakhs

8. (A) CSR amount spent or unspent for the financial year 2023- 2024:

Rs. in Lakhs

Total Amount Spent for the Financial Year 2023 –2024 (Rs. in lakhs)	Total Amount Spent for the Financial Year 2023 – 2024				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (Rs. Lakhs)	Date of Transfer	Name of the Fund	Amount	Date of transfer
Rs. 40.50 Lakhs	–	–	–	–	–

(B) Details of CSR amount spent against ongoing projects for the financial year 2023-24:

(1) Sr. No	(2) Name of Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the Project		(6) Project Duration	(7) Amount allocated for the project (Rs. in Lakhs)	(8) Amount spent in the current financial Year (Rs. in Lakhs)	(9) Amount Transferred to the Unspent CSR Account for the the project as per Section 135(6) (Rs. Lakhs)	(10) Mode of Implementation (Yes/ No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
–	–	–	–	–	–	–	–	–	–	–	–	–



(C) Details of CSR amount spent against other than ongoing projects for the Financial Year 2023- 2024

(1) Sr. No	(2) Name of Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No).	(5) Location of the Project.		(6) Amount spent in the current financial Year (Rs. in Lakhs)	(7) Mode of Implementation (Yes/No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Contribution towards cow fodder	Environmental Sustainability	In U.P Bareilly	Uttar Pradesh	Bareilly	13.00 Lakhs	Through Implementing Agency	IWP CSR Trust	CSR00011873
2	Upliftment of people with disability	livelihood enhancement projects	In U.P Bareilly	Uttar Pradesh	Bareilly	27.50 Lakhs	Through Implementing Agency	IWP CSR Trust	CSR00011873
Total						40.50 Lakhs			

(D) Amount Spent in Administrative Overheads: Nil

(E) Amount spent on Impact Assessment, if applicable: Nil

(F) Total amount spent for the Financial Year: Rs. 40.50 Lakhs

(G) Excess amount for set off, if any: Nil

Sr. No	Particulars	Amount in Rs (lakhs)
1	Two percent of average net profit of the company as per Section 135(5)	0.76
2	Total amount spent for the Financial Year	40.50
3	Excess amount spent for the financial year [(ii)-(i)]	39.74
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	–
5	Amount available for set off in succeeding financial years [(iii-iv)]	39.74

(9) (a) Details of Unspent CSR amount for the preceding three Financial Years:

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



(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s):

(1) Sr. No	(2) Project ID	(3) Name of Project	(4) Financial Year in which was commenced	(5) Project Duration	(6) Total Amount allocated for the project (Rs. in Lakhs)	(7) Amount spent in the reporting financial Year (Rs. in Lakhs)	(8) Cumulative Amount spent at the end of Reporting Financial year (in Rs)	(9) Status of the project completed/ Ongoing
-	-	-	-	-	-	-	-	-

(10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil

(11) Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) – : Not applicable

For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.

Kolkata
30th May, 2024

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)



Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,
The Members

THE INDIAN WOOD PRODUCTS CO LTD

CIN: L20101WB1919PLC003557

9 Brabourne Road, 7th floor,
Kolkata-700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Indian Wood Products Co Ltd** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 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) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – No events / actions occurred during the Audit Period in pursuance of this regulation;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – No events / actions occurred during the Audit Period in pursuance of this regulation;



- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – No events / actions occurred during the Audit Period in pursuance of this regulation;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **No events / actions occurred during the Audit Period in pursuance of this regulation;**
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018 – **No events / actions occurred during the Audit Period in pursuance of this regulation;** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- (vi) Other specifically applicable laws to the Company, namely;
- Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of pollution) Act, 1981;
 - Factories Act, 1948;
 - Food Safety and Standards Act, 2006; and
 - Boiler Act 1923 & Indian Boiler Regulation, 1950

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by

the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director. There is no change in the composition of the Board of Directors of the company during the Audit period.
- Adequate notice is given to all directors for the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me, there are adequate systems and



processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. The shareholders of the Company at their AGM held on September 27, 2023, have approved declaration of Dividend of Re. 0.05 per equity share for the year ended 31st March 2023;
2. The shareholders of the Company by Postal Ballot process conducted through remote e-voting have approved:
 - a) Appointment of Mr. Sumant Mimani (DIN 01251535) as an Independent Director of the Company
 - b) Reappointment of Mr. Krishna Kumar Mohta (DIN 00702306) as Whole Time Director

designated as Chairman and Managing Director of the Company

- c) Reappointment of Mr Bharat Mohta (DIN 00392090) as Whole Time Director designated as Chief Executive Officer (CEO) of the Company

M Shahnawaz & Associates

Company Secretaries

Firm Regn. No.: S2015WB331500

CS Md. Shahnawaz

Proprietor

Membership No.: 21427

CP No.: 15076

Peer Review Regn No. 712/2020

UDIN: A021427F000502589

Kolkata

May 30, 2024

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



To,
The Members
THE INDIAN WOOD PRODUCTS CO LTD
CIN: L20101WB1919PLC003557
9 Brabourne Road, 7th floor,
Kolkata-700001

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

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

M Shahnawaz & Associates

Company Secretaries
Firm Regn. No: S2015WB331500

CS Md. Shahnawaz

Proprietor
Membership No.: 21427
CP No.: 15076
Peer Review Regn No. 712/2020
UDIN: A021427F000502589

Kolkata, May 30, 2024



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
THE INDIAN WOOD PRODUCTS CO LTD
CIN: L20101WB1919PLC003557
9, Brabourne Road, 7th Floor,
Kolkata-700001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of The Indian Wood Products Co Ltd having CIN L20101WB1919PLC003557 and having registered office at 9, Brabourne Road, 7th Floor, Kolkata – 700001 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	Mr. Krishna Kumar Mohta	00702306	29/05/1980
2.	Mr. Bharat Mohta	00392090	30/10/2005
3.	Mr. Rajendra Prasad Chetani	00392215	27/04/2004
4.	Mr. Sanjay Kumar Maheswary	00497335	30/01/2004
5.	Mr. Vinod Kumar Maheshwary	02659320	13/04/2009
6.	Mrs. Drisha Poddar	07729080	18/02/2017
7.	Mr. Surendra Bagri	00659888	13/02/2021
8.	Mr. Sumant Mimani	01251535	13/02/2024

*the date of appointment is as per the MCA Portal.

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

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

For M Shahnawaz & Associates
Practicing Company Secretaries
Firm Regn. No.: S2015WB331500

CS Md. Shahnawaz
(Proprietor)
ACS No. 21427
C.P. No: 15076
UDIN: A021427F000502633
Kolkata May 30, 2024



Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) **The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2023-24**

Sr. No	Name of Director	Designation	Ratio of remuneration of each Director to the Median Remuneration
1	Krishna Kumar Mohta	Chairman and Managing Director	34.87
2	Bharat Mohta	Whole Time Director and CEO	27.22

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

Sr. No	Name of Director and KMP	Designation	Percentage increase in Remuneration
1	Krishna Kumar Mohta	Chairman and Managing Director	-*
2	Bharat Mohta	Whole Time Director and CEO	-*
3	Raj Kumar Agarwal	EVP Cum CFO	12.34
4	Anup Gupta	Company Secretary and Compliance Officer	10.72

* There was no increment given to the Chairman & MD and Whole Time Director & CEO during the FY2024, however, in FY2024, they were drawn their remuneration as approved by the shareholder in full which he was drawing 50% due to covid19 effect.

- (iii) **Percentage increase in the median remuneration of all employees in the financial year 2023-24:**

The median remuneration of employees is 16.40% in the financial year 2023-24.

- (iv) **Number of permanent employees on the rolls of the Company as on 31st March, 2024:**

There were 298 permanent employees on the rolls of the Company as on 31st March 2024.

- (v) **Comparison of average percentage increase in salary of employees other than Key Managerial Personnel and the percentage increase in the remuneration paid to Key Managerial Personnel.**

The average percentage increase of non-managerial employees other than Whole Time Director for FY 2023-24 was 11.53% as compared to last FY 2022-23. There was no increase in the Managerial Remuneration during the FY 2023-24. The Median Salary taken in 2023-24 is Rs. 4,75,634 (Number of Employees 298) compare to Median Salary taken for the previous year was Rs. 408,613 (Number of Employees 301).

- (vi) **Affirmation that the remuneration is as per the Notification and Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration paid to all the Director, KMP, Senior Managerial Personnel and all other employees of the Company during the financial year ended 31st March 2024 was as per the Nomination and Remuneration Policy of the Company.

**For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.**

Kolkata
30th May, 2024

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)



Annexure- 5

Statement of Particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2024

A) Top 10 Employees including those Employed throughout the financial year under review and were in receipt of remuneration aggregating not less than Rs. 1, 02, 00,000 per annum

Sr. No.	Name	Designation	Nature of Employment Whether Contractual or otherwise	Qualification and Experience of the employee including previous employment	Age (years)	Date of Commence of Employment	Remuneration received (in Rs. Lakhs)	The last employment held before joining the Company	The percentage of equity shares held
1.	Krishna Kumar Mohta	Chairman and Managing Director	Contractual	Bachelor of Science from Calcutta University, 55 Years	76	29.05.1980	165.99	NA	3.09
2.	Bharat Mohta	Whole Time Director and Chief Executive Officer (CEO)	Contractual	Bachelor of Commerce from Kolkata University and Business Diploma from ICFAI, Harvard Business Schooling-HBS-OPM-2023 as BMS Qualification 30 Years	49	30.10.2005	129.59	AEW Ltd.	11.94
3.	Ravi Chandak	AGM (Commercial)	Permanent	C.A. & M.B.A., 30 Years	56	10.03.1998	31.59	Orient Fans Ltd.	NA
4.	Raj Kumar Agarwal	EVP cum Chief Financial Officer (CFO)	Permanent	B. Com & LLB, 52 Years	70	31.07.1982	24.86	AEW Ltd.	NA
5.	Krishna Kumar Damani	Principal Advisor – Technical & Strategy	Contractual	B. Tech (Hons) Chem. Engg., 52 Years	75	15.04.1998	24.00	BEC Food Ltd.	NA
6.	Anil Kumar Agarwal	Sr. Manager (Maintenance & Projects)	Permanent	Diploma in Elect. Engg. 46 Years	67	18.10.1984	22.56	Camphor & Allied Products Ltd.	NA
7.	Anand Kumar Rai	GM (Operation, HR & Admin)	Permanent	M.A. (Social Work), PHD & LLB, 25 Years	48	07.05.2012	22.19	MJP Rohaikhand University	NA



Sr. No.	Name	Designation	Nature of Employment Whether Contractual or otherwise	Qualification and Experience of the employee including previous employment	Age (years)	Date of Commence of Employment	Remuneration received (in Rs. Lakhs)	The last employment held before joining the Company	The percentage of equity shares held
8.	Ram Kumar Binani	AGM Commercial	Permanent	M. Com, 32 Years	57	21.07.1993	20.59	Kothari Trading & Investment Co. Pvt. Ltd	NA
9.	Jagdish Chandra Tiwari	Sr. Manager Production	Permanent	B.S.C & M.S.C., 33 Years	57	30.07.1999	18.33	Mahesh Udyog (BDM)	NA
10.	Jagdish Parwal	Sr. Manager cum Unit Head (VD)	Permanent	B.S.C. Engg. 46 Years	67	16.08.2018	17.58	Ambuja Steel Mills Ltd.	NA

Notes:

1. None of the employees employed for part of the Financial Year 2023-24, who is in receipt of remuneration in excess of the prescribed limit
2. All appointments are terminable by notice on either side.
3. Except for Mr Krishna Kumar Mohta & Bharat Mohta, none of the employees mentioned above are related to any of the Directors of the Company
4. Remuneration includes salary, bonus, commission, various allowances, performance incentives, contribution to provident and superannuation fund and taxable value of perquisite but excludes provision for gratuity and leave encashment.
5. The term of Service of Mr Krishna Kumar Mohta and Bharat Mohta are governed by the Special Resolution, passed by the Shareholders of the Company dated September 28, 2021.

**For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.**

**Kolkata
30th May, 2024**

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)



FORM NO. AOC – 2

Particulars of contracts /arrangements made with related parties

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

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

Details of contracts, arrangements, or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31 March 2024, which were not at arm's length basis.

Details of material contracts or arrangements or transactions at arm's length basis

Sl. No.	Particulars	Details		
A	Name(s) of the related Party & Nature of the relationship	Agro and Spice Trading Pte Ltd Joint Venture Company	Pt Sumatra Resources International Subsidiary of Joint Venture Company	Pt. Thea Universal Trade Subsidiary of Joint Venture Company
B	Nature of contracts/ arrangements/ transaction	Purchase of Raw Materials	Purchase of Raw Materials	Purchase of Raw Materials
C	Duration of the contracts/ arrangements /transaction	Ongoing	Ongoing	Ongoing
D	Salient terms of the contracts/ arrangements /transaction	On Arm's Length Basis	On Arm's Length Basis	On Arm's Length Basis
E	Date of approval by the Board	30 May 2023	30 May 2023	30 May 2023
F	Amount Paid as advance, if any	Nil	Nil	Nil

For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)

Raj Kumar Agarwal
Chief Financial Officer

Anup Gupta
Company Secretary
(M No. A36061)

Kolkata
30th May, 2024



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO ETC

Information on conservation of Energy Technology absorption, Foreign Exchange and outgo as required to be disclosed U/s. 134 of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014

A. CONSERVATION OF ENERGY

(i)	The Step has taken or impacts on energy conservation	Energy Conservation continues to be the top priority of attention at all levels. The Company ensures the use of energy-efficient equipment and appliance in operations to conserve energy.
(ii)	The Step has been taken by the Company for utilizing an alternate source of Energy	The Company had been utilizing spent wooden chips and spent Cashew Husk along with waste chips of popular/Eucalyptus in place of Coal. The Company has also started using new sources of Fuel like Mustard Husk, Bagasse, Roots, Ply Waste etc.
(iii)	The Capital Investment in Energy Conservation Equipment	The Company has installed Belling Machine and dryer for drying Spent Cashew Husk. This has resulted in saving in energy as well as quality improvement of our products to improve cooling and to save energy.

B. TECHNOLOGY ABSORPTION

(i)	The efforts made toward technology absorption	Updating of technology is a continuous process. Company is continuously adopting and implementing new and upgraded technology in operations		
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	The use of improved technology resulted in an improvement in the quality of Katha.		
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	No imported technology was adopted.		
(iv)	Expenditure incurred on Research & Development		2023-2024 (Rs)	2022-2023 (Rs)
		Capital Expenditure	4,29,075.32	1,42,721.88
		Recurring Expenditure	6,64,562.52	5,48,386.15
		Total Expenditure	10,93,637.84	6,91,108.03

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The export market is not consistent and favourable for Katha. Moreover, as per the past trend, the ratio of Export Sales to Domestic Sales of the company is neither significant nor material. However, Company is regularly importing Raw Materials for its consumption resulting in earnings/outgo as under:

	2023-2024 (Rs.)	2022-2023 (Rs.)
1. Earnings	–	–
2. Outgo	9,61,10,622.42	25,60,43,163.29

For and on behalf of the Board of Directors of
for The Indian Wood Products Co Ltd

Krishna Kumar Mohta
Chairman & Managing Director
DIN 00702306

Kolkata
30th May 2024

MANAGEMENT DISCUSSION & ANALYSIS

FY2024 represents the fiscal year 2023-24, from 1 April 2023 to 31 March 2024, and analogously for FY2023 and previously such labelled years.

GLOBAL OUTLOOK

The global economic recovery from the COVID-19 pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favorable supply-side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

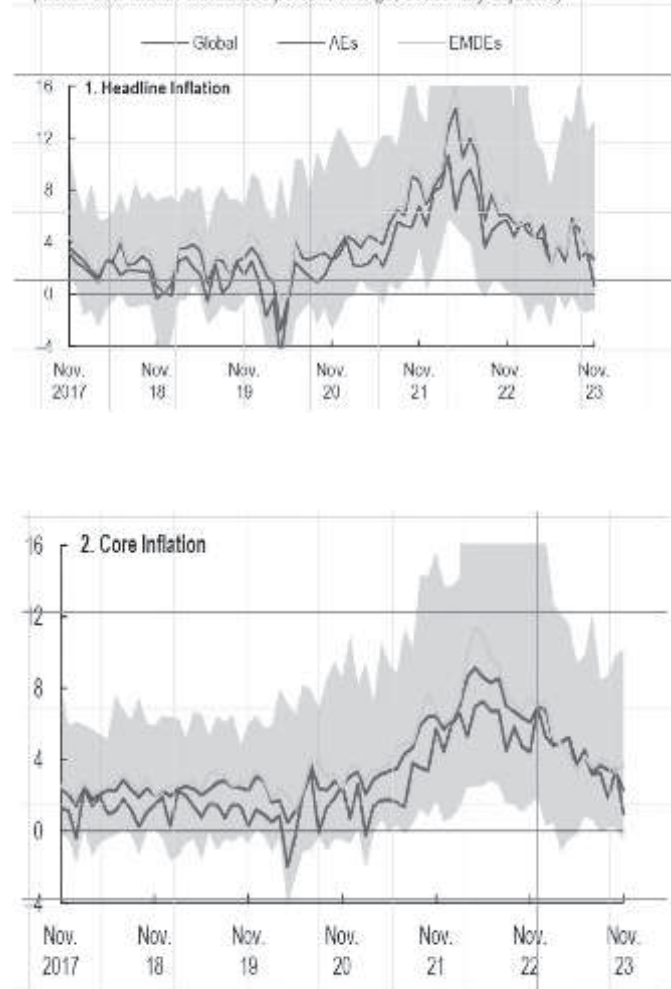
Growth resilient in major economies - Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their prepandemic (2017–19) paths amid elevated borrowing costs.

Inflation subsiding faster than expected - Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation (Figure 1). Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter-over-quarter seasonally adjusted basis. Diminished inflation reflects

the fading of relative price shocks—notably those to energy prices—and their associated pass-through to core inflation.¹ The decline also reflects an easing in labor market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals-in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

Figure 1. Global Inflation: Rise and Fall

(Month-over-month annualized percent change, seasonally adjusted)





Note: The figure plots the median of a sample of 57 economies that accounts for 78 percent of World Economic Outlook world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. The bands depict the 10th to 90th percentiles of inflation across economies. “Core inflation” is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = advanced economies; EMDEs = emerging market and developing economies.

High borrowing costs cooling demand - To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding postpandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets (Box 1). Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks’ policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

The Forecast

Growth Outlook: Resilient but Slow

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025. Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth.

Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geo economic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. IMF staff projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

For advanced economies, growth is projected to decline slightly from 1.6 percent in 2023 to 1.5 percent in 2024 before rising to 1.8 percent in 2025. An upward revision of 0.1 percentage point for 2024 reflects stronger-than-expected US growth, partly offset by weaker-than-expected growth in the euro area:

- In the United States, growth is projected to fall from 2.5 percent in 2023 to 2.1 percent in 2024 and 1.7 percent in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labor markets slowing aggregate demand. For 2024, an upward revision of 0.6 percentage point since the October 2023 WEO largely reflects statistical carryover effects from the stronger-than-expected growth outcome for 2023.
- Growth in the euro area is projected to recover from its low rate of an estimated 0.5 percent in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.9 percent in 2024 and 1.7 percent

in 2025. Stronger household consumption as the effects of the shock to energy prices subside and inflation falls, supporting real income growth, is expected to drive the recovery. Compared with the October 2023 WEO forecast, however, growth is revised downward by 0.3 percentage point for 2024, largely on account of carryover from the weaker-than-expected outcome for 2023.

- Among other advanced economies, growth in the United Kingdom is projected to rise modestly, from an estimated 0.5 percent in 2023 to 0.6 percent in 2024, as the lagged negative effects of high energy prices wane, then to 1.6 percent in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover. The markdown to growth in 2025 of 0.4 percentage point reflects reduced scope for growth to catch up in light of recent upward statistical revisions to the level of output through the pandemic period. Output in Japan is projected to remain above potential as growth decelerates from an estimated 1.9 percent in 2023 to 0.9 percent in 2024 and 0.8 percent in 2025, reflecting the fading of one-off factors that supported activity in 2023, including a depreciated yen, pent-up demand, and a recovery in business investment following earlier delays in implementing projects.
- In emerging market and developing economies, growth is expected to remain at 4.1 percent in 2024 and to rise to 4.2 percent in 2025. An upward revision of 0.1 percentage point for 2024 since October 2023 reflects upgrades for several regions.
- Growth in emerging and developing Asia is expected to decline from an estimated 5.4 percent in 2023 to 5.2 percent in 2024 and 4.8 percent in 2025, with an upgrade of 0.4 percentage point for 2024 over the October 2023 projections, attributable to China's economy. Growth in China is projected at 4.6 percent in 2024 and 4.1 percent in 2025, with an upward revision of 0.4 percentage point for 2024 since the October 2023 WEO. The upgrade reflects carryover from stronger-than-expected growth in 2023 and increased government spending on capacity building against natural disasters. Growth in India is projected to remain strong at 6.5 percent in both 2024 and 2025, with an upgrade from October of 0.2 percentage point for both years, reflecting resilience in domestic demand.
- Growth in emerging and developing Europe is projected to pick up from an estimated 2.7 percent in 2023 to 2.8 percent in 2024, before declining to 2.5 percent in 2025. The forecast upgrade for 2024 of 0.6 percentage point over October 2023 projections is attributable to Russia's economy. Growth in Russia is projected at 2.6 percent in 2024 and 1.1 percent in 2025, with an upward revision of 1.5 percentage points over the October 2023 figure for 2024, reflecting carryover from stronger-than-expected growth in 2023 on account of high military spending and private consumption, supported by wage growth in a tight labor market.
- In Latin America and the Caribbean, growth is projected to decline from an estimated 2.5 percent in 2023 to 1.9 percent in 2024 before rising to 2.5 percent in 2025, with a downward revision for 2024 of 0.4 percentage point compared with the October 2023 WEO projection. The forecast revision for 2024 reflects negative growth in Argentina in the context of a significant policy adjustment to restore macroeconomic stability. Among other major economies in the region, there are upgrades of 0.2 percentage point for Brazil and 0.6 percentage point for Mexico, largely due to carryover effects from stronger-than-expected domestic demand and higher-than-expected growth in large trading-partner economies in 2023.
- Growth in the Middle East and Central Asia is projected to rise from an estimated 2.0 percent in 2023 to 2.9 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.5 percentage point for 2024 and an upward revision of 0.3 percentage point for 2025 from the October 2023 projections. The revisions are mainly attributable to Saudi Arabia and reflect temporarily lower oil production in 2024, including from unilateral cuts and cuts in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas non-oil growth is expected to remain robust.
- In sub-Saharan Africa, growth is projected to rise from an estimated 3.3 percent in 2023 to 3.8 percent in 2024 and 4.1 percent in 2025, as the negative effects of earlier weather shocks subside and supply issues gradually improve. The downward revision for 2024 of 0.2 percentage point from October 2023



mainly reflects a weaker projection for South Africa on account of increasing logistical constraints, including those in the transportation sector, on economic activity.

The Indian Economy

IMF sources reveal that the Indian economy edged past the UK to become the fifth largest economy of the world and has been still growing at an astounding rate despite many global headwinds. Case in point, on March 1, 2024, Mint, the business and financial daily, reported that the Indian economy grew by 8.4% in the third quarter of the financial year 2023-24.

Based on this data, India's Statistical Ministry prepared a second advanced estimate of the full-year GDP growth and pegged it to 7.6% which will make it one of the fastest-growing major economies of the world. The earlier estimate was 0.3% lower than the recent one.

The trend of India outgrowing other economies is likely to continue for a long time. In fact, according to experts, India is projected to overtake Japan and Germany by 2030 to become the third largest economy of the world and is estimated to become 2nd largest economy by 2048.

Consumption in India

This stellar growth is the result of several measures taken by the governments over the years, e.g. liberalisation, abolishing license raj, an increasing focus on infrastructure investment and more. All these reforms eventually led to a heightened purchasing power for the common Indian consumers and a resultant service, manufacturing, construction and consumption boom.

This consumption boom has been particularly evident in the purchase of automobiles, electronics, and branded lifestyle products. The internet and e-commerce platforms have further democratized access to these goods, breaking geographical barriers and reaching previously untapped markets. The rise of consumer credit has also made it easier for individuals to finance their purchases.

In FY24, a strong Private Final Consumption Expenditure (PFCE) driven by sustained growth in urban demand and recovery in rural demand is supporting India's growth. According to the NSO, the share of private final consumption expenditure (PFCE) in India's GDP in FY24 is expected to be 60.3%. India Ratings (Ind-Ra) expects

PFCE to grow by 6.1 per cent in 2024-25 compared to 4.4% in the 2023-24 financial year.

Thus, driven by strong policy support, a growing middle class and a sizeable young population, a significant amount of investment is flowing into the country, facilitating an economic uprising and lifting more and more people out of poverty every year. That is why, experts believe that the Indian consumption story is likely to continue beyond FY24 and could last many more decades to come.

Indian Katha Industry

Katha manufacturing in India has been an important forest-based chemical industry for centuries. Katha was in use even before the Morya Dynasty as Ayurvedic medicine. However, initially, the manufacturing of Katha was carried out by an unorganized sector. Only in British ERA manufacturing of Katha with Scientific method start. However, the unorganized sector is still in operation and leads the industry with maximum shares. The overall size of the Katha Industry is about 3500 Crores p.a. which also include katha consumption in Paan etc.

Katha is prepared mainly by crystallization in cold from the water extractives of the heartwood of Acacia Catechu, commonly known as the 'Khair' Tree. Acacia Catechu is widely distributed in India from the northwest plains to eastwards in Assam and throughout the Country, particularly in drier and deciduous region. The Process of Katha making is long and arduous process which takes upto 45 days. Each step in the production process is closely monitored and proper climatic conditions are maintained for optimum colour and quality. Katha (catechu) is one of the principal ingredients used in the preparation of PAAN from betel leaves, for chewing purposes when, in combination with lime, it gives the characteristic red colorations. Katha is extracted from Khair Tree and while producing Katha Cutch is also produced as bio-product.

Katha is being produced in the country since long and it is a mass-consumption item as it is used in the preparation of paan throughout the country. It has got medicinal values as well and used in ayurvedic preparations as it cures itching, indigestion and bronchitis and is very effective in leprosy, ulcer, boils, piles, throat diseases etc. On the other hand, the cutch has various industrial applications. It is one of the important sources of vegetable tanning materials, used extensively as an additive to the drilling



mud used for oil drilling and for the preservation of sailing rods, fishing nets, mail bags etc. Thus, both products are versatile with varied applications.

The demand of premium Quality Katha is growing steadily with consumer's disposable income on a steady rise. Our Company continues to be the leading player in Katha Industry

Operations

Katha

We expect our market share to further increase in the coming financial year with the addition of new customers because of increased focus on better product mix. The EBITDA in the current year has increased and going forward we expect better EBITDA margins. Our company has implemented cost effective measures and better work condition for the staff.

The Catechin extraction unit set up in Indonesia through our Joint Venture Company in Singapore is operational and of the Catechin extraction is imported in India and used in the production of the Katha.

Achieving ultimate customer satisfaction is the prime outlook of the Company. To materialize this, the organization has adopted stringent quality control tests from the intermediate stages of input of raw materials till the output of finished products. To achieve this, we have a qualified team of 20 engineers & chemists who monitor the operation and the quality.

We are well equipped with laboratory facilities and modern equipment such as HPTLC, GLC, Polarimeters, TLC, Spectrophotometer, Moisture meter, Hygroscopes besides Kjeldahl extractor etc.

The Company also owns a research lab having plant & equipment for Pilot Plant scale research for improving quality & research and is investing heavily with topmost priority to stay ahead of the curve.

During the year under review, the Company has achieved a sales volume of 3337.004 MT Katha in FY2024 as compared to 3487.670 MT in FY2023. The sales of Cutch (by-product) increased from 990.275 MT in FY2023 to 1162.625 MT in FY2024. Good financial performance is the combined result of an increase in volume, average realization and operational efficiencies. The management is focused on achieving desired

results coupled with sustained production levels. The trend is likely to continue and we are hopeful to have a better operational and financial performance in FY2025.

The Company has recorded a turnover of Rs 19241.53 Lakhs in FY2024, as compared with Rs. 18369.37 Lakhs in FY2023 representing an increase of 4.75% because of an increase in volume, average realization and change in product mix. The Profit Before Tax (PBT) for the year, was Rs. 325.90 lakhs as compared to Rs.180.99 lakhs for the previous year. During the financial year 2023-24, the Company earned a Profit After Tax of Rs 259.01 lakhs as compared to Rs. 138.01 lakhs in the previous year.

The better financial performance is the combined result of an increase in volume, average realization and operational efficiencies. The management is focused on achieving desired results coupled with sustained production levels. The trend is likely to continue and we are hopeful to have a better operational and financial performance in FY2025.

The operational performance of the Company during the period under review was good. We intend to achieve sustainable and profitable growth through our consistent efforts.

Operating Results:

Key highlights of financial performance for the Company for FY2024 on a standalone basis are tabulated below:

(Rs. in Lacs)

Particulars	FY2024	FY2023	FY2022
Sales and Other Income	19241.53	18369.37	17789.63
Earnings before interest, tax, depreciation and amortisation	1489.20	1189.78	927.80
Profit before Tax	325.90	180.99	(118.19)
Profit after Tax	259.01	138.01	(103.73)
EPS	0.40	0.22	(0.16)

However, on a consolidated basis, revenue from operations for FY2023 at Rs 18369.37 Lakhs. Profit after tax ("PAT") for the year was Rs. 365.82 Lakhs.



Risks and Concern

Risk and its Management: Risk accompanies prospects. As a responsible corporate, it is the endeavor of the management to minimize the risks inherent in the business with the view to maximize returns from business situations.

The architecture: At the heart of the Company's risk mitigation strategy is a comprehensive and integrated risk management framework that comprises prudential norms, structured reporting and control. This approach ensures that the risk management discipline is centrally initiated by the senior management but prudently decentralized across the organization, percolating to managers at various organizational levels helping them mitigate risks at the transactional level.

The discipline: The Company has clearly identified and segregated its risks into separate components, namely operational, financial, strategic and growth execution. All the identified risks are inter-linked with the Annual Business Plans of the Company, so as to facilitate Company-wide reviews.

The review: A Risk Management Committee of the Board of Directors, comprising Board Members, has been constituted to review periodically updates on identified risks, implementation of mitigation plans and adequacy thereof, identification of new risk areas etc.

The Board of Directors also reviews the Risk identification process and mitigation plans regularly. A senior executive has been entrusted at all the levels of business operation in the Company whose role is not only to identify the Risk but also to educate about the identified risk and to develop Risk Management culture within the business.

Key counter measures: The Company has institutionalized certain risk mitigation procedures outline as under:

- Roles and responsibilities of the various entities in relation to risk management have been clearly laid down. A range of responsibilities, from the strategic to the operational, is specified therein. These role definitions, inter alia, are aimed at ensuring formulation of appropriate risk management policies

and procedures, their effective implementation, independent monitoring and reporting by internal audit.

- Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with proper risk profiling.
- Wherever possible and necessary, appropriate insurance cover is taken for financial risk mitigation. Confirmation of compliance with applicable statutory requirements are obtained from the respective unit/divisions and subjected to an elaborate verification process.
- Quarterly reports on statutory compliances, duly certified, are submitted to the Audit Committee as well as the Board of Directors for review.
- Status of Demand/Notices on the Company, under various Acts and Rules, as well as status of litigations are reported to the Board of Directors every quarter.

Internal Control Systems

The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Board and the management periodically review the findings and recommendations of the statutory and internal auditors and take corrective actions whenever necessary.

The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.

Corporate Social Responsibility

The company's CSR policy covers activities in the field of eradication of extreme hunger and poverty, promotion of education, promotion of gender equality, empowerment of women, improvement of mental health,



slum area development and rural development projects, employment enhancing vocational skills, ensuring environmental sustainability, sanitation including contribution to Swachh Bharat Kosh set up by the Central Government, ensuring animal welfare, contribution to the Prime Ministers National Relief Fund or any other project set up by the Central Government.

The Company has created a trust in the name of IWP CSR Trust for undertaking CSR activities for and on behalf of the Company.

During FY2024, in compliance with Section 135 of the Act, an amount of Rs. 0.76 Lakhs is required to be spent by the Company on CSR activities. The Company has spent Rs. 40.50 Lakhs on CSR activities towards Animal Welfare, Women Empowerment and the Upliftment of People with disability through IWP CSR Trust. There is no unspent CSR amount as on 31st March 2024.

Human Resources and Industrial Relations

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain the best talent in the market and the same can be felt in the past growth of the Company. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership and autonomy and towards this objective; your company spends large efforts on training. Your Company shall always place all necessary emphasis on the continuous development of its Human Resources. The belief “great people create a great organization” has been at the core of the Company’s approach to its people.

Key Ratios

Particulars	FY 2023	FY2024
Revenue (Rs. in Lacs)	18369.37	19241.53
Net Profit After Tax (Rs. in Lacs)	138.01	259.01
Earnings per share	0.22	0.40
Operating Profit Margin (%)	4.72%	6.09%
Net Profit Margin (%)	0.76%	1.35%
Return on Net worth	0.39%	0.73%
Current Ratio (times)	1.41%	1.45%
Debtors Turnover(times)	3.84%	4.09%
Debt-equity (times)	0.50	0.29
Interest Coverage Ratio(times)	1.27	1.39

Cautionary Statement

Statements in this Management Discussion and Analysis report detailing the Company’s objectives, projections, estimates, expectations 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. Important factors that could make a difference to the Company’s operations include global and Indian demand-supply conditions, raw material prices, finished goods prices, cyclical demand and pricing in the Company’s products and their principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries with which the Company conducts business and other factors such as litigation and/or labor negotiations.



CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

FY2024 represents fiscal year 2023-24, from 1st April 2023 to 31st March 2024, and analogously for FY2023 and previously such labelled years.

PHILOSOPHY ON CODE OF GOVERNANCE

The Indian Wood Products Co. Limited (IWP), 'the Company' firmly believes that good corporate governance practices ensure efficient conduct of the affairs of the Company while upholding the core values of transparency, integrity, honesty and accountability and help the Company to achieve its goal to maximize value for all its stakeholders. It is a system by which business corporations are directed and controlled.

Our Company is committed to the adoption of and adherence to Corporate Governance practices at all levels which are essentially aimed at ensuring transparency in all dealings and focused on the enhancement of long-term shareholder value. Our Company believes that sound Corporate Governance is critical for enhancing and retaining investors' trust and the Company always seeks to ensure that its performance with integrity helps to achieve its desired goals.

Our Company considers that it is absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of Corporate Governance and be considered as a good corporate citizen of the Country.

Our Company is in compliance with the corporate governance provisions as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

This chapter of the annual report together with the information given under the chapters titled as 'Management Discussion and Analysis' and 'Additional Shareholders' Information' constitute the compliance report of the Company on Corporate Governance for FY2024.

SHAREHOLDERS

The Companies Act, 2013 and the SEBI Listing Regulations stipulate the governance mechanism by shareholders in terms of passing of ordinary and special resolutions, voting rights, participation in corporate actions such as bonuses, declaration of dividends, etc. Your Company has in place the process to ensure that the shareholders of the Company are well informed of both financial and non-financial information as necessary from time to time, and adequate notice with detailed explanation is sent to the shareholders well in advance whenever required to obtain necessary approvals.

BOARD OF DIRECTORS

The Company recognizes the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities, and duties. The Board is at the core of our Corporate Governance practice and oversees and ensures that the Management serves and protects the long-term interests of all our stakeholders.



The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

Composition of the Board

The Company has a balanced mix of Executive and Non-Executive Independent Directors in accordance with SEBI Listing Regulations. As on 31st March 2024 the Board of Directors of IWP consists of 8 (Eight) Directors, comprising (i) 2 (two) Executive Directors; (ii) 5 (five) Independent Directors, including a Woman Director; and (iii) 1 (one) Non-Executive Non-Independent Director.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "Act") and Regulation 17 of SEBI Listing Regulations. The Company has passed special resolution for Independent Director, who has attained the age of seventy-five years, in compliance with Regulation 17(1A) of the SEBI Listing Regulations and also passed special resolution for Executive Director who has attained the age of seventy years, in compliance with Section 196 of the Act.

The Chairman of the Board is an Executive Director and Promoter. The Board is entrusted with the ultimate responsibility of the management with powers and duties and is headed by the Chairman and Managing Director. It comprises eminent persons with high credentials or considerable professional expertise and experience in diversified fields. Our Board members are having expertise in various domains such as corporate governance, industries, legal and compliance, finance and accounts. Our Board has an appropriate mix of Executive, Non-Executive and Independent Director(s) to maintain its independence, and separate its functions of governance and management as under:

Name of the Board Member	Core Competency
Mr. Krishna Kumar Mohta	Manufacturing, Management, Governance and CSR
Mr. Bharat Mohta	Manufacturing, Operation, Planning & Strategy, Human Resources, Sustainability (water, sanitation, community development), CSR and Investors' Relation
Mr. Rajendra Prasad Chetani	Manufacturing, Finance, Taxation, Investor Relation and Human Resources
Mr. Sanjay Kumar Maheswary	Taxation, Finance, Investor Relation and Human Resources
Mr. Vinod Kumar Maheshwary	Investor Relation, Finance and Human Resources
Mrs. Drisha Poddar	Corporate Affairs and Finance
Mr. Surendra Bagri	Accounting, Taxation, Finance and CSR
Mr. Sumant Mimani	Finance, Investor Relation and Human Resources

All 5 (five) Independent Directors of the Company are free from any business or other relationship with the Company or its promoters that could materially influence their judgment. The Board is well-diversified and consists of one woman Independent Director.

Each Director informs the Company on an annual basis about the Board and Board Committee positions him/her in other companies including Chairmanships, and notifies the changes that occurred therein during the term of their directorship in the Company. Table 1 gives the composition of IWP's Board, their positions, relationship with other Directors, dates of joining the Board, number of Directorships and memberships of the Board's Committee held by each of them.

**Table 1 : Board and committee positions held by the Directors**

Name	Date of Joining	Number of Directorships (1)	Other Committee Positions (2)		Directorship in other listed companies and Category of Directorships
			As Chairman	As Member	
Mr. Krishna Kumar Mohta Chairman & Managing Director	29-05-1980	3	–	–	None
Mr. Bharat Mohta Whole-Time Director & CEO	30-10-2005	3	–	1	None
Mr. Rajendra Prasad Chetani Non-Executive-Non-Independent Director	27-04-2004	2	1	2	None
Mr. Sanjay Kumar Maheswary Independent Director	30-01-2004	1	1	2	None
Mr. Vinod Kumar Maheshwary Independent Director	13-04-2009	1	–	2	None
Mrs. Drisha Poddar Independent Director	18-02-2017	1	–	–	None
Mr. Surendra Bagri Independent Director	13-02-2021	2	–	–	None
Mr. Sumant Mimani ⁽³⁾ Independent Director	13-02-2024	1	–	–	Oricon Enterprises Limited - Independent Director

- (1) Excluding directorships in Private Limited Companies, Foreign Companies and Section 8 Companies under the provision of the Companies Act, 2013. None of the Directors on the Board holds directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a director
- (2) Membership/Chairmanship in Audit and Stakeholders' Relationship Committee of all public limited companies, whether listed or not, including IWP's are considered.
- (3) Appointed w.e.f. 13th February 2024



DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

SL. No.	Name of Director	Category	Relation between the Director inter see*
1	Mr. Krishna Kumar Mohta	Promoter, Chairman & Managing Director	Father of Mr. Bharat Mohta, Whole Time Director & Chief Executive Officer of the Company
2	Mr. Bharat Mohta	Promoter, Whole Time Director & Chief Executive Officer	Son of Mr. Krishna Kumar Mohta, Chairman & Managing Director of the Company
3	Mr. Rajendra Prasad Chetani	Non-Executive Non-Independent Director	NA
4	Mr. Sanjay Kumar Maheswary	Independent Director	NA
5	Mr. Vinod Kumar Maheshwary	Independent Director	NA
6	Mr. Surendra Bagri	Independent Director	NA
7	Mrs. Drisha Poddar	Independent Director	NA
8	Mr. Sumant Mimani	Independent Director	NA

* Relatives as per Section 2(77) of the Act.

Apart from the relations mentioned herein above, there is no inter-se-relation among the Directors of the Company

DECLARATION OF INDEPENDENCE:

In terms of Regulation 25(8) of SEBI Listing Regulations, the Company had received declarations on the criteria of Independence as prescribed in Section 149(6) of the Companies Act, 2013, Regulation 16(1)(b) and Regulation 25(8) of SEBI (LODR) Regulations, 2015, from all the Independent Directors of the Company as on 31st March 2024. They have also registered themselves in the databank with the Institute of Corporate Affairs of India as Independent Directors and also renewed their registration as per Rule 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014. All the Independent Directors of the Company have complied with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 by passing online proficiency self-assessment test or exempted therefrom as per the Rule. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or affect their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Companies Act, 2013 and as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

TERM OF BOARD MEMBERSHIP

The Board, on the recommendations of the Nomination and Remuneration Committee, considers the appointment and re-appointment of Directors.

Section 149 of the Companies Act, 2013, provides that an Independent Director can be appointed for a term of up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing of a special resolution by the shareholders of the Company. The Independent Directors shall not be liable to retire by rotation.

Accordingly, all the Independent Directors of the Company were appointed under Section 149 of the Companies Act, 2013, for a term ranging up to 5 years.

As per the provisions of the Companies Act, 2013, one-



third of the Board members other than Independent Directors, who are subject to retire by rotation, retire every year and approval of shareholders is sought for the re-appointment of such retiring members, if eligible.

Executive Directors are appointed by Board for a period not exceeding three years at a time and are eligible for re-appointment upon completion of the term. Their appointments are subsequently approved by the shareholders.

Mr. Bharat Mohta, (Din 00392090) retires by rotation at the forthcoming Annual General Meeting, and being eligible, seeks re-appointment.

Mr. Krishna Kumar Mohta, (Din 00702306), has been re-appointed as Whole Time Director designated as Chairman & Managing Director of the Company for a further period of 3-years w.e.f. 01st April 2024 as approved by the Shareholder through Postal Ballot dated 25th March 2024.

Mr. Bharat Mohta, (Din 00392090) has been re-appointed as Whole Time Director designated as Chief Executive Officer of the Company for a further period of 3-years w.e.f. 01st April 2024 as approved by the Shareholder through Postal Ballot dated 25th March 2024.

Mr. Sumant Mimani (Din 01251535) has been appointed as Director in the category of Independent on 13th February 2024, for a period of 5 years upto the 108th AGM of the Company to be held in the year 2028. His appointment was approved by the shareholder of the Company through Postal Ballot on 25th March 2024

In compliance with Regulation 17A of the SEBI Listing Regulations none of the Directors including Independent Directors on the Board hold directorship in more than 7 (Seven) listed entities and none of the Executive Directors is an Independent Director in any listed Company. None of the Directors on the Board is a member of more than 10 (Ten) Committees or act as chairperson of more than 5 (Five) Committees across all the Companies in which he/she is a director, in compliance with Regulation 26(1) of the SEBI Listing Regulations. For the purpose of determination of limit of chairpersonship and membership, the Audit Committee and the Stakeholders' Relationship Committee alone have been considered.

All the Directors possess requisite qualifications and experience in general corporate management, risk management, finance, marketing, legal and other allied

fields, which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making process.

SELECTION AND APPOINTMENT OF NEW DIRECTORS

Induction of any new member on the Board of Directors is the responsibility of the Nomination and Remuneration Committee. Taking into account the existing composition and organization of the Board, and the requirement of new skill sets, if any, the Nomination and Remuneration Committee reviews potential candidates in terms of their expertise, skills, attributes, personal and professional backgrounds, gender and their ability to attend meetings. The potential Board member for the office of Independent Director is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. The Committee then places the details of such candidates that meet these criteria to the Board of Directors for their consideration. If the Board approves, the person is appointed as an Additional Director, subject to the approval of shareholders in the Company's Annual General Meeting.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, as well as the working of its committees. The Nomination and Remuneration Committee laid down the criteria for such performance evaluation. The evaluation process was carried out internally in FY2023-24. The contribution and impact of individual members were evaluated on parameters such as level of engagement, independence of judgment, conflict resolution and their contribution in enhancing the Board's overall effectiveness.

The Performance of the Chairman and Managing Director has been evaluated on key aspects of their role, which include, inter-alia, effective leadership to the Board and adequate guidance at each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee, and Individual Director were evaluated and found satisfactory. During the year under review, the Independent Directors of your Company



reviewed the performance of Non- Independent Directors and Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued when required. All the directors are participative, interactive and communicative. The Chairman had abundant knowledge, experience, skills and understanding of the Board's functioning and processes. The information flow between your Company's Management and the Board is timely & sufficient.

LETTER OF APPOINTMENT

The Independent Directors on the Board of the Company, upon appointment, are given a formal appointment letter, inter-alia containing the term of appointment, roles, function, duties & responsibilities, code of conduct, disclosures, confidentiality, etc. The terms and conditions of the appointment of Independent Directors are available on the Company's website at https://www.iwpkatha.com/files/codespolicies/Policy_Appointment%20of%20Independent%20Director.pdf

DIRECTORS' PROFILE

A profile of each of the Directors and their expertise in specific functional areas are put up on the Company's website and can be accessed at <https://www.iwpkatha.com/board.html>

DIRECTORS' SHAREHOLDING IN THE COMPANY

Table 2 gives details of shares held by the Directors as on 31 March 2024.

Name	No. of shares held
Mr. Krishna Kumar Mohta	19,79,802
Mr. Bharat Mohta	76,37,530
Mr. Rajendra Prasad Chetani	4,560
Mr. Sanjay Kumar Maheswary	2,800
Mr. Vinod Kumar Maheshwary	2,000
Ms. Drisha Poddar	–
Mr. Surendra Bagri	–
Mr. Sumant Mimani*	14000

* Appointed w.e.f. 13th February 2024

MEETINGS OF THE BOARD

The Board of the Company reviews all information provided periodically for discussion and consideration at its meetings as provided under the Act (including any amendment and re-enactment thereof) and SEBI Listing Regulations inter-alia the agendas mentioned in Part A of Schedule II of SEBI Listing Regulations.

The Company plans and prepares the schedule of the Board and Board Committee meetings in advance to assist the Directors in scheduling their program. The schedule of meetings and agenda for the meeting is finalized in consultation with the Directors. The agenda setting out the business to be transacted at the meeting is pre-circulated with detailed notes, supporting documents and an executive summary wherever required well in advance as stipulated under the Act, and Secretarial Standard -1 (SS-1). All material information is incorporated in the detailed agenda for facilitating meaningful and focused discussion at the meetings. Where it is not practicable to enclose any document on the agenda, the same is placed before the meeting. Additional item(s) on the agenda, if required, can be discussed at the meeting.

Board makes timely strategic decisions, to ensure operations are in line with strategy to ensure the integrity of financial information and the robustness of financial and other controls to oversee the management of risk and review the effectiveness of risk management processes and to ensure that the right people are in place and coming through. Independent Directors are expected to provide an effective monitoring role and to provide help and advice as a sounding Board for the Executive Directors. All this is in the long-term interest of the Company and should be based on the optimum level of information, through smooth processes, by people with the right skills mixed and in a constructive manner. The Independent Directors play an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the fields of business, commerce, finance, and management

As per the provisions of the Companies Act, 2013 read with Regulation 17(2) of the Listing Regulations and Secretarial Standard 1, the Board of Directors must meet at least four times a year, with a maximum time gap of 120 (one hundred and twenty) days between two Board meetings.



The minutes of the Board Meetings are circulated in advance as per the requirement of SS-1 to all the Directors and confirmed at the subsequent meeting.

The Board also periodically reviews compliance by the Company with the applicable laws/ statutory requirements concerning to the business and affairs of the Company and reviews the declarations made by the Managing Director & CEO / Chief Financial Officer / Unit Heads of the Company regarding compliance of all applicable laws on a quarterly basis. The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be

included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of Section 134 of the Act.

The Board meets 5 (five) times during the FY 2023-24 and the gap between two meetings did not exceed 120 (one hundred and twenty) days. The dates on which the Board Meetings were held are as follows:

30th May 2023, 31st July 2023, 07th September 2023, 10th November 2023 and 13th February 2024. Details of the Directors and their attendance in Board Meetings and Annual General Meetings are given in **Table 3**.

Table 3: Directors' attendance at Board meetings and AGM held during FY 2023-24

Name	Meetings held in Director's tenure	Number of Board Meetings Attended	Attendance in the last AGM on 27 September 2023
Mr. Krishna Kumar Mohta	5	5	Present
Mr. Bharat Mohta	5	5	Present
Mr. Rajendra Prasad Chetani	5	5	Present
Mr. Sanjay Kumar Maheswary	5	5	Present
Mr. Vinod Kumar Maheshwary	5	5	Present
Mrs. Drisha Poddar	5	3	Present
Mr. Surendra Bagri	5	5	Present
Mr. Sumant Mimani*	1	1	NA

*** Appointed w.e.f. 13th February 2024**

The Board and its Committee meetings at IWP's typically comprise one-day sessions. In the course of these meetings, the business unit heads and key management personnel make presentations to the Board. The Board is updated on the discussions at the Committee meetings and their recommendations through the Chairman of the respective Committees.

INFORMATION GIVEN TO THE BOARD

The Company provides the following information, inter alia, to the Board and Board-level Committees, either as part of the agenda papers in advance of the meetings or by way of presentations and discussion material during the meetings:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the listed entity and its operating divisions or business segments.

- Minutes of meetings of the audit committee and other committees of the board of directors.
- The information on recruitment and remuneration of senior officers just below the level of the board of directors, including the appointment or removal of the Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- Any issue, which involves possible public or product liability claims of substantial nature, including



any judgment or order which, may have passed structures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.

- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in the Human Resources/Industrial Relations front like the signing of wages agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, and assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

POST-MEETING FOLLOW-UP MECHANISM

The decisions taken at the Board /Board Committees' meetings are communicated to the concerned departments/divisions promptly. An action taken/status report on the decisions of the previous meeting(s) is placed at the next meeting of the Board/Board Committees for information and further recommendation/action(s) if any.

MEETINGS OF INDEPENDENT DIRECTORS

Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the management. During FY 2023-24, the Independent Directors met 1 (one) time on 28th March 2024 in executive sessions without the presence of management. During the meeting, the independent

directors reviewed the performance of the company and its senior management, that of the chairman and the board, operational strategy, risks, succession planning for the board and senior management and the information given to the board. In addition to this meeting, the Company is ready to facilitate such sessions as and when required by the Independent Directors. An Independent Director, with or without other Independent Directors, takes the lead to provide structured feedback to the Board about the key elements that emerge out of these executive sessions.

DIRECTOR'S REMUNERATION

The Company has a policy for the remuneration of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees. The remuneration of the Directors is based on the Company's size, presence, its economic and financial position, compensation paid by other companies, the qualification of the appointee(s), their experience, past performance and other relevant factors.

The Nomination and Remuneration policy is available on <https://www.iwpkatha.com/files/codes-policies/Nomination%20and%20Remuneration%20Committee%20Policy.pdf>

The Executive Directors of the Company, Mr. Krishna Kumar Mohta, Chairman and Managing Director and Mr. Bharat Mohta, CEO, are appointed by shareholders' resolution for a period of three years. No severance fees are payable to the Executive Directors. All components of remuneration to the Executive Directors are fixed and are in line with the Company's policies.

The Non-Executive Directors are not entitled to any remuneration other than a sitting fee for attending meetings of the Board and its Committees as approved by the Board. The sitting fee is payable only for Board meetings and meetings of the Audit Committee and Nomination and Remuneration Committee.

No sitting fee is paid to Executive Directors for attending meetings of the Board and its Committees. The remuneration paid or payable to the Directors for their services rendered during FY 2023-24 is given in **Table-4**.



Name of Directors	Sitting fees	Salaries	Perquisites	Total
Mr. Krishna Kumar Mohta	–	127.50	38.49	165.99
Mr. Bharat Mohta	–	86.25	43.34	129.59
Mr. Rajendra Prasad Chetani	0.72	–	–	0.72
Mr. Sanjay Kumar Maheshwary	0.72	–	–	0.72
Mr. Vinod Kumar Maheshwary	0.72	–	–	0.72
Mrs. Drisha Poddar	0.38	–	–	0.38
Mr. Surendra Bagri	0.60	–	–	0.60
Mr. Sumant Mimani	0.15	–	–	0.15

THE CRITERIA FOR MAKING PAYMENTS TO THE DIRECTORS ARE:

The Nomination and Remuneration Committee recommends the remuneration for the Executive Chairman and Managing Director, other Executive Directors, Senior Management and Key Managerial Personnel. The payment of remuneration to the Executive Directors is approved by the Board and Members. There has been no change in the remuneration policy during the financial year. The Directors are also entitled to commission and reimbursement of expenses incurred by them for undertaking their duties as Directors of the Company.

In determining the remuneration of the Executive Chairman and Managing Director, Executive Directors, Senior Management Employees and Key Managerial Personnel, the Nomination and Remuneration Committee and the Board considers the following:

- the balance between fixed salary, perquisites and retirement benefits reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.
- alignment of remuneration of Directors and Key Managerial Personnel with long-term interests of the Company.

- Company's performance vis-à-vis the individuals' achievement & experience, industry benchmark and current compensation trends in the market.

The Non-Executive Directors are not entitled to any remuneration

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

To familiarize a new Independent Director with the Company, its policies and procedures, a familiarize kit containing informative documents about the Company like past five years Annual Reports, CSR Report, Memorandum and Articles of Association, Company's Code of Conduct, presentation on financial and operational highlights etc. are provided to him/her. The new Independent Director meets individually with each Board member, KMPs and senior management personnel. Visits to plant location(s) are also organized for the new Director to understand the Company's product and operations.

Periodic presentations are made by senior management on business and performance updates of the Company, business risk and its mitigation strategy. The Company has uploaded its Familiarization Programme for



Independent Directors on its website of the Company at https://www.iwpkatha.com/files/codespolicies/Policy_%20Familiarization%20Programme%20for%20Independent%20Director.pdf

Further, in the opinion of the Board, all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

RISK MANAGEMENT

The Company has enterprise-wide risk management (ERM) system in place. An independent Risk Management Committee of the Board oversees and reviews the risk management framework, assessment of risks, and management and minimization procedures. The Committee reports its findings and observations to the Board. Risk management practices of the Company are covered in the chapter on Management Discussion and Analysis in this annual report.

COMPLIANCE REVIEWS

IWP's has a dedicated team under an identified Compliance Officer for overseeing compliance activities, including monitoring, and a defined framework to review compliance with all laws applicable to the Company. The compliance status is periodically updated to the senior management team including the CEO and the CFO through review meetings. Presentations are made in the quarterly Audit Committee meetings regarding the status of compliance and the reports are also shared with Board members. The CFO and the Company Secretary of Company furnish a certificate at each Board meeting, held for approval of financial results, confirming the overall compliance by the Company with applicable statutes including financial and commercial laws.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

As per SEBI (Prohibition of Insider Trading) Regulation 2015, and SEBI Listing Regulations and Companies Act, 2013, the Company adopted 'The Code of Conduct for Board Members and Senior Management which applies to all its directors and employees, and affiliates. It is the responsibility of all Directors and employees to familiarize themselves with this Code and comply with its standards. The requisite codes and policies are posted

on the Company's website at https://www.iwpkatha.com/codes_policies.html and references thereof have been given elsewhere in this Annual Report.

The Board and the Senior Management affirm compliance with the Code of Business Conduct and Ethics annually. A certificate of the Chief Executive Officer of the Company to this effect is enclosed as Annexure- A.

BRIEF NOTE ON THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 104TH AGM: -

As required under Regulation 36(3) of SEBI Listing Regulations, the Company has furnished information relating to the Directors retiring by rotation and seeking re-appointment in the Notice convening the 104th AGM. Shareholders may kindly refer to the same. The names of the companies in which the Director holds directorships and the details of membership of committees of the Board are given separately in the Notice convening the 104th AGM.

RELATED PARTY TRANSACTIONS

Transactions entered into with related parties during FY2023-24 were in the ordinary course of business and at an arms' length basis and were entered into with the prior approval of the Audit Committee. Further, none of the related party transactions involves a conflict of interest with the Company. All related party transactions that were approved by the Audit Committee were periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

During the FY2023-24, there was no material Related Party Transactions as defined in Regulation 23 of the SEBI Listing Regulations.

The Board's approved policy for related party transactions is uploaded on the website of the Company at https://www.iwpkatha.com/files/codes-policies/Policy_Related%20Party%20Transaction.pdf.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form



AOC-2 for the FY 2023-24, enclosed as Annexure - 6 to the Board's Report.

The details of Related Party Transactions are discussed in detail in Note No. 38 of Notes to the Financial Statements.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company and none of the Companies was ceased to a subsidiary of the Company during the year. Further, the Company has one overseas joint venture namely M/s. Agro and Spice Trading Pte Limited, Singapore, as on 31st March 2024.

DISCLOSURE ON ACCOUNTING TREATMENT

In the preparation of financial statements for FY 2023-24, there is no treatment of any transaction different from that prescribed in the Accounting Standards notified by the Government of India under the Companies Act, 2013.






COMMITTEES OF THE BOARD

The Board Committees focus on specific areas and

make informed decisions within the authority delegated. Each such Committee is guided by its Charter, which defines the composition, scope and powers in line with the statutory requirements. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information, consideration, approval or action, as the case may be. The Company Secretary acts as the Secretary to all the Committees of the Board. These Committees are constituted in conformity of the SEBI Listing Regulations and the Act and are mentioned as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The composition of the Board Committees as on March 31, 2024, are disclosed in Table-5:

Name of the Director	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Risk Management Committee	Stakeholders Relationship Committee
Krishna Kumar Mohta			 	 	
Bharat Mohta					
Rajendra Prasad Chetani					 
Sanjay Kumar Maheswary	 	 			
Vinod Kumar Maheshwary					
Drisha Poddar					
Surendra Bagri					

 signifies Chairman of the Committee

 signifies Member of the Committee

**TABLE 6: COMPOSITION OF THE BOARD COMMITTEES**

	Audit Committee¹	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Risk Management Committee	Stakeholders Relationship Committee
Date of Meeting	30-05-2023; 31-07-2023; 07-09-2023; 10-11-2023 and 13-02-2024	30-05-2023; 31-07-2023; and 13-02-2024	29-05-2023; 28-07-2023; 08-11-2023; and 13-02-2024	30-05-2023	30-05-2023 and 28-03-2024
No of Meeting held	5	3	4	1	2
No. of meetings attended					
Name of the Director					
Krishna Kumar Mohta	–	–	4	1	–
Bharat Mohta	–	–	4	1	2
Rajendra Prasad Chetani	5	3	–	–	2
Sanjay Kumar Maheswary	5	3	–	–	2
Vinod Kumar Maheshwary	5	3	–	–	2
Drisha Poddar	–	–	–	–	–
Surendra Bagri	–	–	4	1	–
Sumant Mimani*	–	–	–	–	–

* Appointed w.e.f. 13th February 2024

1. The Company is in compliance with the provisions of Regulation 18 of Listing Regulations, as amended, on the time gap between any 2 (two) Audit Committee Meetings.

Audit Committee

The Board of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory and Internal Auditors and the Board. All the members of the Audit Committee are financially literate with majority having accounting or related financial management expertise and the composition of the Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits.

The Board of Directors has entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

A. The role of the audit committee shall include the following:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual



- financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause(c) of sub-section(3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. approval or any subsequent modification of transactions of the Company with related parties;
 9. scrutiny of inter-corporate loans and investments;
 10. valuation of undertakings or assets of the Company, wherever it is necessary;
 11. evaluation of internal financial controls and risk management systems;
 12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. discussion with internal auditors of any significant findings and follow up thereon;
 15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the board;
 16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. to review the functioning of the whistle blower mechanism;
 19. approval of the appointment of a chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 20. carrying out any other function as in mentioned in the terms of reference of the audit committee.
 21. reviewing the utilization of loans/and or advances from/investment by the holding Company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on date of coming into force of this provision;
 22. review the utilization of loan, advance and Investments by holding Company in the subsidiary;
 23. Review the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015, at least once in a financial year and shall verify that the systems of Internal Control are adequate and operating effectively;



24. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters/letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

The Audit Committee meets the key members of the finance team and internal audit team along with the CEO and the CFO to discuss matters relating to audit, compliance and accounting. During the year, the Committee also meets Statutory Auditors without the presence of the management on more than one occasion.

The Chairman and Managing Director, the CEO, the CFO and the Internal Auditor are permanent invitees to all Audit Committee meetings. The Statutory Auditors of the Company was present in all the Audit Committee meetings held during the year. The Company Secretary officiates as the secretary of the Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 19 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

The present terms of reference of the Nomination and Remuneration Committee are aligned as per the provisions of Section 178 of the Act and include the roles as laid out in Part D Para (A) of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Nomination and Remuneration Committee in line with the Act and the SEBI Listing Regulations are as follows:

- Examine the structure, composition and functioning of the Board, and recommend changes, as necessary, to improve the Board's effectiveness.
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Regularly examine ways to strengthen the Company's organizational health, by improving the hiring, retention, motivation, development, deployment and behaviour of management and other employees.

In this context, the Committee also reviews the framework and processes for motivating and rewarding performance at all levels of the organization reviews the resulting compensation awards, and makes



appropriate proposals for Board approval. In particular, it recommends all forms of compensation to be granted to Directors, executive officers and senior management employees of the Company.

The CEO and the CFO are special invitees to the Nomination and Remuneration Committee meetings. The Company Secretary officiates as the secretary of the Committee.

Stakeholders Relationship Committee

The Stakeholders' Relationship Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 20 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

The Stakeholders' Relationship Committee is empowered to perform the functions of the Board relating to the handling of shareholders' queries and grievances. It primarily focuses on:

- Review the process and mechanism of Redressal of investor grievances and suggest measures for improving the system of redressal of investor grievances.
- Review and resolve the pending investor's complaints, if any, relating to the transfer of shares, non-receipt of share certificate(s), non-receipt of dividend warrants, non-receipt of the annual report and any other grievance/complaints with the Company or any officer of the Company arising out in the discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- Review of corporate actions related to security holders.

The Chairman of the Committee is a Non-Executive Non-Independent Director. The Company Secretary officiates as the secretary of the Committee. The Company has received and resolved all complaints within the stipulated time as received from the shareholders during FY 2023-24, and no complaints were pending at the end of FY 2023-24.

Corporate Social Responsibility Committee

The CSR Committee is empowered to perform the

functions of the Board relating to handling social initiatives. Its primary functions are to:

- Formulate, review and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the initiatives as per the CSR policy.
- Provide guidance on various CSR initiatives undertaken by the Company and monitor their progress.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time.

The CSR Committee reviewed and recommended the CSR policy to the Board, during the year. The Chairman of the Committee is an Executive Director. The Company Secretary officiates as the secretary of the Committee.

Risk Management Committee

The Company has constituted a Risk Management Committee of the Board to oversee the risk management of the Company.

The Company has a Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impacts on the business objectives and enhance the Company's competitive advantage.

The Board of Directors is overall responsible for identifying, evaluating, and managing all significant Risk factors faced by the Company. The Company has also laid down a procedure to inform the Board on a periodic basis about the identification of Risks and the steps to be taken to mitigate and minimize the same.

A senior executive has been entrusted at all levels of business operation in the Company whose role is not only to identify the Risk but also to educate about the identified risk and to develop Risk Management culture within the business.

MANAGEMENT

The management of the Company develops and implements policies, procedures and practices that attempt to translate the Company's core purpose and mission into reality. The management also identifies measures, monitors and minimizes risk factors in the



business and ensures safe, sound and efficient operation. These are internally supervised and monitored by CEO and the CFO.

Listed below are some of the key issues that were considered by the management during the year under review:

- Company's long-term strategy, growth initiatives and priorities.
- Overall Company performance, including those of various business units.
- Expansion plan
- Discussion and sign-off on annual plans, budgets, investments and other major initiatives.
- Discussion on business alliance proposals.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate chapter on the 'Management Discussion and Analysis' is included in this annual report, and constitutes a part of this report.

MANAGEMENT DISCLOSURES

Senior Management of the Company (Senior Manager level and above, as well as certain identified key employees) make annual disclosures to the Board relating to all material financial and commercial transactions in which they may have a personal interest if any, and which may have a potential conflict with the interest of the Company. Transactions with key managerial personnel are listed in the financial section which forms part of this annual report under Related Party Transactions.

PROHIBITION OF INSIDER TRADING

The Company has a policy prohibiting Insider Trading in conformity with applicable SEBI regulations. Necessary procedures have been laid down for Directors, officers and designated employees for trading in the securities of the Company. The policy and procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading window closure periods, when the Directors and employees are not permitted to trade in the securities of the Company, are intimated to all Directors and employees, in advance, whenever required.

INTERNAL CONTROL SYSTEMS

The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Board and the management periodically review the findings and recommendations of the statutory and internal auditors and takes corrective actions whenever necessary.

INTERNAL CONTROLS

The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.

The integrity and reliability of the internal control systems are achieved through clear policies and procedures, process automation, careful selection, training and development of employees and an organizational structure that segregates responsibilities. Internal Audit at IWP is an independent and objective assurance function, responsible for evaluating and improving the effectiveness of risk management, control and governance processes.

The Audit Committee of the Board monitors the performance of the internal audit department on a periodic basis through a review of audit plans, audit findings and speed of issue resolution through follow-ups. Each year, there are at least four meetings held, where the Audit Committee reviews internal audit findings, in addition to special meetings and discussions.

DIVIDEND DISTRIBUTION POLICY

The Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requiring Dividend Distribution Policy is not applicable to the Company.

CEO AND CFO CERTIFICATION

A certificate of the Chief Executive Officer and the Chief Financial Officer of the Company on financial statements and applicable internal controls as stipulated under Regulation 17(8) of the Listing Regulations is enclosed below as Annexure - B.



STATUTORY AUDITS

For FY 2023-24 M/s. S K Agrawal & Co Chartered Accountants LLP, has audited the financial statements prepared under the INDAS

AUDITORS' FEES

During FY 2023-24, the Total fees paid /payable for all services availed by the Company was Rs. 6.32 Lacs to M/s. S K Agrawal & Co Chartered Accountants LLP, the Statutory Auditors for the audit of financial statements for FY 2023-24 details as given below:

Audit Fee	Rs. 4.00 Lacs
Other Services	Rs. 2.32 Lacs
Total	Rs. 6.32 Lacs

MEANS OF COMMUNICATION

The Company ensures that the following filings and reports are available on its website:

- The notices and official press releases, are posted on our website, at <https://www.iwpkatha.com/notices.html>. In light of difficulties posed by the COVID-19 pandemic, SEBI vides various circulars relaxed the requirement of publishing financial results in the newspapers. However, the Company ensured the publishing of the financial results for the benefit of the stakeholders. The quarterly/annual results are generally published in at least one English-language national daily newspaper circulating in the whole or substantially the whole of India (Financial Express)

and in one regional daily newspaper circulating in West Bengal (Arthik Lipi).

- Quarterly and annual financial statements, standalone and consolidated, along with segmental information, are also posted on our website, at https://www.iwpkatha.com/financial_performance.html
- The proceedings of the AGM are available on our website, at <https://www.iwpkatha.com/ballot.html>
- The shareholders can also access the details of annual reports, Board and committee details, Memorandum and Articles of Association, financial information, shareholding patterns, details of unclaimed dividends and shares transferred / liable to transfer to IEPF, etc. on the Company's website.
- Other information, such as stock exchange disclosures, is regularly updated on the Company's website. The shareholders can also visit www.bseindia.com where the investors can view statutory filings of the Company with the BSE.

**For and on behalf of the Board of Directors of
The Indian Wood Products Co Ltd**

Krishna Kumar Mohta

Chairman & Managing Director

DIN: 00702306

Place: Kolkata

30th May 2024



**Compliance with the Code of Conduct for Board Members and Senior Management
[Declaration as per Regulation 34(3) Listing Regulations]**

I hereby confirm that all the members of the Board and senior management personnel have affirmed that they have complied with the Company's Code of Conduct for Board Members and Senior Management for the FY 2023-24.

For The Indian Wood Products Co. Ltd

Bharat Mohta

Chief Executive Officer

Kolkata, 30th May 2024

Certificate on Corporate Governance

To
The Members of
The Indian Wood Products Co. Ltd.
CIN: L20101WB1919PLC003557
Bombay Mutual Building
9 Brabourne Road, 7th Floor
Kolkata -700001

I have examined the relevant records of The Indian Wood Products Co Ltd ("the Company") for the purpose of certifying compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from April 1, 2023 to March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, during the year ended March 31, 2024.

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

Ashok Kumar Daga
Practicing Company Secretary
FCS- 2699 & C.P. No. 2948

Kolkata, 30 May, 2024
UDIN NO. F002699F000499613



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

{Pursuant to Regulation 17(8) of the Listing Regulations}

The Board of Directors

The Indian Wood Products Co Ltd

Dear Member of the Board,

We, Bharat Mohta, Chief Executive Officer (CEO) & Raj Kumar Agarwal, Chief Financial Officer (CFO), of the Company, to the best of our knowledge and belief, hereby certify that:

- a) We have reviewed the Financial Statements including the cash flow statement (Standalone & Consolidated) for the year ended 31 March 2024 and these Statements:
 - (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws, and regulations.
- b) There are, no transactions entered into by the Company during the year ending 31 March 2024 which are fraudulent, illegal, or violative of the Company's code of business conduct and ethics.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have disclosed, to the Auditors and the Audit Committee
 - (i) that there were no deficiencies in the design or operations of internal controls that could adversely affect the company's ability to record, process, summarize and report financial data including any corrective actions;
 - (ii) that there are no material weaknesses in the internal controls over financial reporting;
 - (iii) that there is no significant change in internal control over financial reporting during the year;
 - (iv) all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statement; and
 - (v) that there is no instance during the year of significant fraud of which we have become aware of and involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Kolkata
30th May 2024

Bharat Mohta
Chief Executive Officer

Raj Kumar Agarwal
Chief Financial Officer



ADDITIONAL SHAREHOLDER INFORMATION

FY2024 represents fiscal year 2023-24, from 1 April 2023 to 31 March 2024, and analogously for FY2023 and previously such labelled years.

1. General Body Meetings

Below table gives the details of the date, time, location and business transacted through special resolution at last three Annual General Meetings:

Financial Year	Date & Time	Location	Special Resolution(s) Passed
2022-23	27 September 2023 at 3.00 P.M	103rd AGM Conducted Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The deemed venue: 9 Brabourne Road, 7th Floor, Kolkata- 700001	No Special Resolution was proposed and passed at the 103rd AGM
2021-22	27 September 2023 at 3.00 P.M	102nd AGM Conducted Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The deemed venue: 9 Brabourne Road, 7th Floor, Kolkata- 700001	No Special Resolution was proposed and passed at the 102nd AGM
2020-21	28 September 2021 at 3.00 P.M	101st AGM Conducted Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) The deemed venue: 9 Brabourne Road, 7th Floor, Kolkata- 700001	<ol style="list-style-type: none"> 1. Reappointment of Mrs. Drisha Poddar (Din 07729080) as an Independent Director. 2. Reappointment of Mr Krishna Kumar Mohta (Din 00702306) as Whole Time Director designated as Chairman and Managing Director. 3. Reappointment of Mr. Bharat Mohta (Din 00392090) as Whole Time Director Designated as CEO.

Resolution(s) passed through Postal Ballot

The company had sought the approval of the Shareholders through notice of Postal Ballot Notice dated 13th February 2024 on the following resolutions, which were duly passed and the results of which were announced on 26th March 2024. Md Shahnawaz (Membership No. ACS 21427) of Shahnawaz & Associates a Practicing Company Secretaries was appointed as the Scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.



Description of Resolution	Type of Resolution	Votes in Favor of the Resolution			Votes against the Resolution			Invalid Resolution	
		Number of Member Voted	Number of Valid Vote Cast (Shares)	Percentage of total number of valid votes cast	Number of Member Voted	Number of Valid Vote Cast (Shares)	Percentage of total number of valid votes cast	Total Number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Appointment of Mr. Sumant Mimani (DIN 01251535) as an Independent Director of the Company	Ordinary Resolution	79	46076603	99.99	15	2107	0.01	1	7500
Reappointment of Mr. Krishna Kumar Mohta (DIN 00702306) as Whole Time Director designated as Chairman and Managing Director of the Company	Special Resolution	79	46078053	99.99	15	657	0.01	1	7500
Reappointment of Mr Bharat Mohta (DIN 00392090) as Whole Time Director designated as Chief Executive Officer (CEO) of the Company	Special Resolution	74	46078053	99.99	15	657	0.01	1	7500

Procedure for Postal Ballot

Procedure followed for Postal Ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular nos. 14/2020, 17/2020, 02/2021, 21/2021, 02/2022 and 10/2022 dated 08 April 2020, 13 April 2020, 13 January 2021,



14 December 2021, 05 May 2022, 28 December 2022 and 25 September 2023 respectively issued by MCA from time to time. In line with the relevant MCA Circulars, the Postal Ballot Notice dated 13th February 2024, was sent by e-mail to all the Shareholders whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. The Company provided the facility of remote e-voting to its members in respect of the business transacted by Postal Ballot through electronic means. The Company provided the facility of voting by electronic means through National Securities Depository Limited.

The remote e-voting period began on Sunday, 25th February 2024 at 9 a.m. and ended on Monday, 25th March 2024 at 5 p.m. The Members, whose names appeared in the Register of Members/Beneficial Owners as on the cut-off date i.e. Friday, 16th February 2024, could cast their vote electronically. The voting rights of Shareholders were in proportion to their share in the paid-up Equity Share Capital of the Company as on the cut-off date, being Friday, 16th February 2024. In terms of the Act, the Resolution is deemed to have been passed by the requisite majority through Postal Ballot on the last date of remote e-voting i.e. Monday, 25th March 2024. The Scrutinizer after scrutiny of the votes cast, submitted their report on the result of the Postal Ballot to the Chairman. The result of the Postal Ballot along with the Scrutinizer's Report was announced by the Chairman of the Company on Tuesday, 26th March, 2024.

Annual General Meeting (AGM):

As per the Circulars issued by the Ministry of Corporate Affairs and the SEBI, from time to time, the 104th Annual General Meeting of the Company is scheduled to be held on Tuesday, 10 September 2024, at 3.00 P.M. through Video Conference /Other Audio-Visual Means ("VC/OAVM") facility. The venue if the AGM shall be deemed to be the registered office of the Company at Bombay Mutual Building, 7th Floor, 9 Brabourne Road, Kolkata- 700001. The detailed instructions for participation and voting at the meeting is available in the notice of the 104th AGM.

Proposal to Conduct Postal Ballot for any Matter in the ensuing Annual General Meeting

There is no proposal to conduct a postal ballot for any matter in the ensuing Annual General Meeting.

1. Book Closure Date:-

From 04 September 2024 to 10 September 2024 (both days inclusive) for the purpose of payment of dividend in AGM.

2. Dividend

Dividend, if approved by the shareholders at the 104th Annual General Meeting, shall be paid to all the Shareholders whose name appears on the registrar of members as on closing hours of 03rd September 2024, being the Record Date fixed for this purpose. The dividend will be credited/dispatched on or after 10th September 2024.

3. Financial Calendar

The financial year of the Company starts on 1st April every year and ends on 31st March subsequent year.

Indicative Calendar of events for the financial year 2024-25 are as under

For the quarter ending 30 June 2024	Second week of August 2024
For the quarter and half-year ending 30 September 2024	Second week of November 2024
For the quarter and nine months ending 31 December 2024	Second week of February 2025
For the year ending 31 March 2025	Fourth week of May 2025
AGM for the year ending 31 March 2025	In the month of September 2025



4. Listing of Stock Exchange and Stock Codes

Stock Exchange	Scrip code
BSE Limited	540954
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai- 400 001	

Listing fees to BSE Limited for the listing of equity shares have been paid for the FY 2024-25. The Custodian fee for NSDL & CDSL has also been paid for the FY 2024-25.

6. The International Security Identification Number (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the Company. The ISIN of the Company's equity shares is INE586E01020.

7. Market Price Data

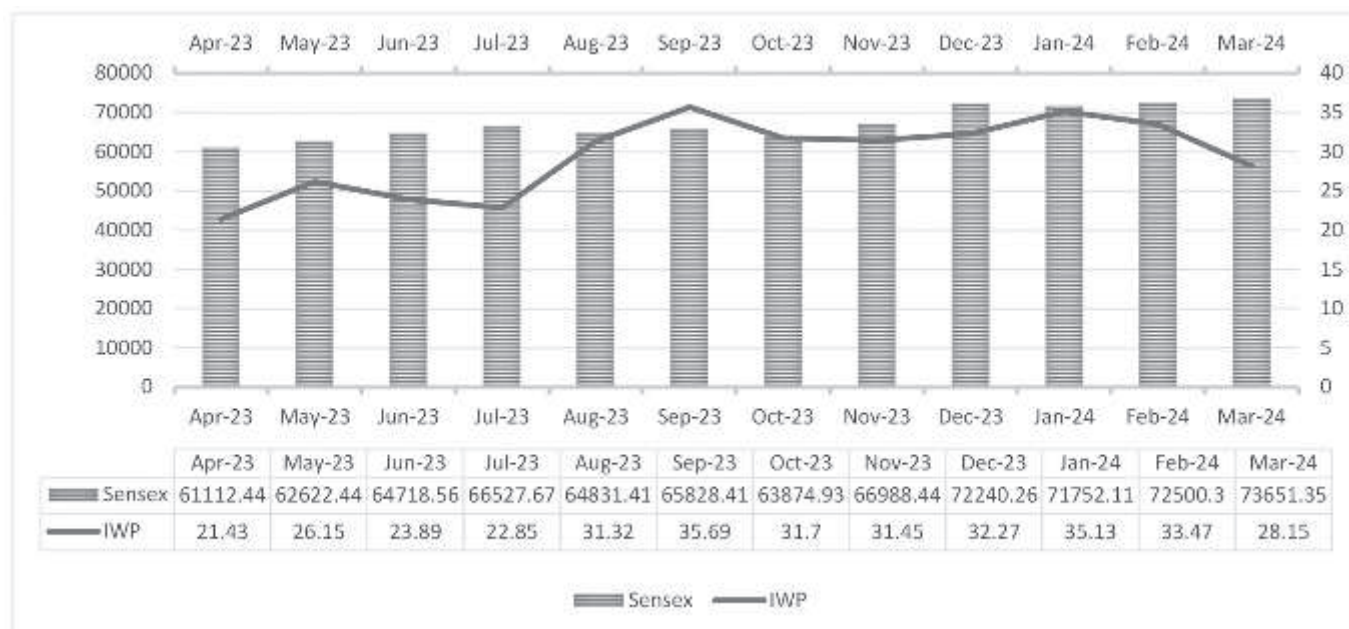
The Equity Shares of the Company are presently listed on BSE Limited. The monthly high/low and the total number of shares traded per month on the BSE during FY2024 are given below: -

High/Low and number of shares traded per month on BSE during FY2024

Month	BSE		
	High (Rs.)	Low (Rs.)	Total Number of equity Shares Traded
Apr 2023	24.90	19.50	204554
May 2023	26.28	20.55	291308
Jun 2023	32.90	22.98	579097
July 2023	25.90	21.75	205639
August 2023	34.44	23.99	682954
September 2023	40.50	30.55	795637
October 2023	37.45	30.30	371679
November 2023	34.98	30.31	283630
December 2023	38.64	29.00	936250
January 2024	37.19	31.21	606268
February 2024	37.19	32.10	864844
March 2024	35.85	27.50	498478

8. Performance in comparison to board-based indices

The Equity Shares of the Company are presently listed only on BSE Limited. The trading data of the Company's Equity Shares and its performance comparison to board-based indices for FY 2023-24 are as under:



9. Registrar and Share Transfer Agents

M/s. Niche Technologies Pvt. Ltd., 3A, Auckland Place, Room No. 7A & 7B, 7th Floor, Kolkata- 700 017 is the Registrar and Share Transfer Agent of the Company, both for Physical & Demat Shareholders. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

10. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, Securities can be only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to convert their holdings to dematerialized form. Transfer of Equity shares in electronic form is effected through the depositories with no involvement of the Company.

The share transfers/transmission/splits and /or issue of duplicate share certificates are processed on behalf of the Company by the Registrar and Transfer Agents, M/s. Niche Technologies Pvt. Ltd and is then placed before the Stakeholder Relationship Committee to approve transfers. The Company Secretary addressed all the requests weekly.

All queries and requests relating to share /debenture transfers/ transmissions may be addressed to our Registrar and Transfer Agents.

The Company periodically reviews the operations of its Registrar and Transfer Agent.

11. Description of Voting Rights

All shares issued by the Company carry equal voting rights, and One Share confirms One Vote.

12. Nomination Facility

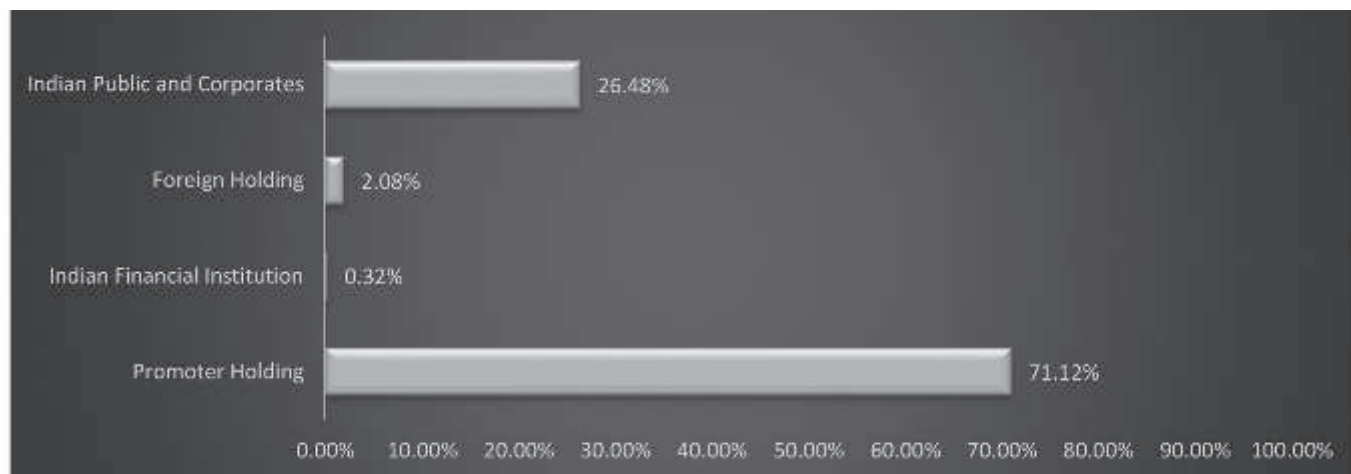
Shareholders / Debenture Holders holding physical shares/debentures may, if they so desire, may send their nominations in Form SH13 to the Registrar & Transfer Agents of the Company. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail nomination facility.



13. Shareholding Pattern as on 31st March 2024:

Table 4 Distribution of shareholdings on the basis of ownership					
	As on 31 March 2023		As on 31 March 2024		% change
	No. of shares	% of total	No. of shares	% of Total	
Promoter's Holding					
- Individuals	31133692	48.67	31133692	48.67	–
- Companies	14363966	22.45	14363966	22.45	–
Sub-Total	45497658	71.12	45497658	71.12	–
Indian Financial Institutions					
Banks	201680	0.32	201680	0.32	–
Mutual Funds	–	–	–	–	–
Foreign holdings					
- Foreign Institutional Investors	–	–	–	–	–
- Non-Resident Indians	1312370	2.05	1336169	2.08	0.03
- ADRs / Foreign Nationals	–	–	–	–	–
Sub total	1514050	2.37	1537849	2.40	0.03
Indian Public and Corporate	16961012	26.51	16937213	26.48	(0.03)
Total	63972720	100.00	63972720	100.00	–

Categories-Wise Shareholding (%)





14. Distribution of Shareholding as on 31st March 2024

Range	No of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 – 5,000	10845	94.79	3456176	5.40
5,001 – 10,000	252	2.20	1919690	3.00
10,001 – 50,000	277	2.42	5413821	8.46
50,001 – 1,00,000	36	0.32	2487877	3.89
100,001 and above	31	0.27	50695156	79.25
Total	11441	100.00	63972720	100.00

15. Outstanding ADR's & GDR's Warrants or any other convertible instruments, conversion date and likely impact on equity shares

During the FY 2023- 24, the Company has not issued any ADR's GDR's, Warrants or any other convertible instruments. The Company at present has no outstanding ADR's/GDR's/Warrants to be converted that have an impact on the equity shares of the Company.

16. Commodity Price Risk on Foreign Exchange Risk.

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation, coupled with existence of a powerful brand image with a robust marketing network mitigates the impact of price risk on finished goods.

17. Credit Rating

During the year under review, ICRA Limited (ICRA) has affirmed the long-term rating of [ICRA]BB+ (pronounced ICRA double B plus) and the short-term rating of [ICRA]A4+ (pronounced ICRA A four plus). The outlook in the long term is Stable.

18. Dematerialization of Shares

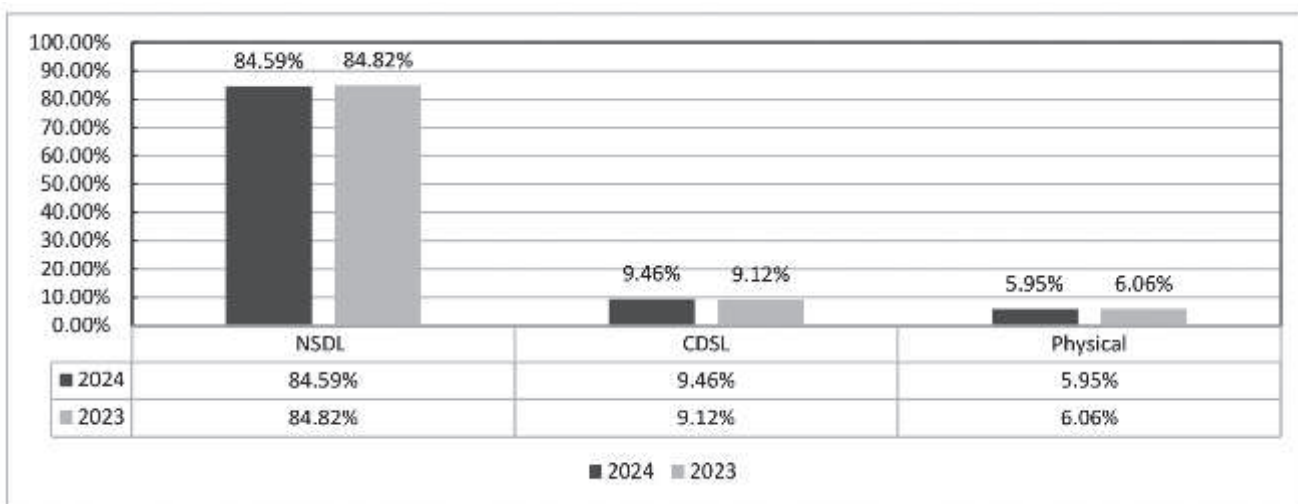
The Company's scrip forms part of the compulsory dematerialization segment for all investors. To facilitate easy access of the dematerialized system to the investors, the Company has signed up with both the depositories namely National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") – and has established connectivity with the depositories through its Registrar and Transfer Agents, Niche Technologies Pvt. Ltd.

Dematerialization of shares is done through Niche Technologies Pvt. Ltd. and on average the dematerialization process is completed within 10 days from the date of receipt of a valid dematerialization request along with the relevant documents. Chart 1 gives the breakup of dematerialized shares and shares in certificate form as on 31 March 2024 as compared with that as on 31 March 2023



The breakup of dematerialized shares and shares in certificate form as on March 31, 2024 as under:

Physical	NSDL	CDSL
3806476	54116577	6049667



19. Other Disclosures

Disclosures on materially significant related party transaction

Our Company has taken approval for the related party transactions for the 5 years at the 102 AGM held on 26 September, 2022. It may also be noted that our Company have not entered into any material related party transactions and that the transactions were entered into at arm's length and in ordinary course of business.

The statements containing the transactions with related parties were submitted periodically to the Audit Committee. The details of the Related Party Transaction are discussed in detail in Note No. 38 of Notes to the Financial Statements

All the contracts/ arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business on an Arm's Length Basis.

None of the transactions with any of the related parties were in conflict with the Company's interest.

Details of non-compliance(s) by the company

No penalties have been imposed or strictures issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years against the non-compliance relating to the matter aforesaid.

Whistle Blower Policy/Vigil Mechanism

The Board of Directors of the company has adopted Whistle Blower Policy. The management of the Company, through the policy, envisages encouraging the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds & things which the management or any superior may



indulge in. This policy has been circulated to the employees of the Company. However, no employee has been denied access to the Audit Committee.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with the mandatory requirements of Corporate Governance under listing Regulations and is in the process of implementing of non-mandatory requirements.

Disclosure of Accounting Treatments

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (IndAS) to comply in all material aspects under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act, 1956 (“the Act 1956”), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

20. Name, Designation & Address of Compliance Officer and RTA for Complaints & Correspondence

Mr. Anup Gupta
Company Secretary & Compliance Officer
The Indian Wood Products Co Ltd
9 Brabourne Road, 7th Floor,
Kolkata – 700001
Tel: 4001 2813

Registered / Corporate Office Address for Correspondence

The Indian Wood Products Co Ltd

9 Brabourne Road, 7th Floor,
Kolkata – 700001
Tel: 4001 2813
Email Id: iwpho@iwpkatha.co.in
CIN: L20101WB1919PLC003557

Registrar & Share Transfer Agents

M/s. Niche Technologies Pvt. Ltd.
3A, Auckland Place, Room No. 7A & 7B,
7th Floor, Kolkata- 700 017
Tel: 033 2280-6616/6617/6618, Fax: 033 2280-6619
Email: nichetechpl@nichetechpl.com
URL: www.nichetechpl.com

21. Plant Location

Manufacturing Plants

Bareilly

Izatnagar, Bareilly (UP)
Pin Code: - 243122
Phone No :- 9359102444

Daman (Contractual Manufacturing)

C/o. Nanhemal Agro (India) Ltd
Diwali Nagar, Kadiaya, Daman: 396210
Phone: 9825128720

Baroda

C/o. Bhagyoday Katha Products Pvt Ltd
PO: Asoj, Opposite Hotel Decent
Vadodara- 391510
Phone: 8291031211

Jammu & Kashmir

IGC, SIDCO, Phase III, Samba (J&K)
Samba (Jammu & Kashmir)
Pincode : 184121
Phone: 9319929098

**22. Disclosure with respect to demat suspense account/unclaimed suspense account**

SI No.	Particulars	Applicability
1.	Aggregate number of Shareholder and the outstanding shares in the suspense account lying in the beginning of the year	Nil
2.	Number of Shareholder who approached the Company for transfer of shares from suspense account during the year	Nil
3.	Number of Shareholders to whom shares were transferred from suspense account during the year	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil
5.	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Nil

23. Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund

In line with the IEPF Rules, the Company sends a reminder letter to all such shareholders, whose dividend has remained unpaid/unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to IEPF Authority on the due date. The details of unclaimed dividends are available at the Company's website https://www.iwpkatha.com/un_dividend.html

During the year under review, the Company has credited Rs. 1,71,401/- for the FY 2015-16 to the Investor Education and Protection Fund (IEPF) pursuant to the provision of the Companies Act, 2013.

In accordance with the provision of the Companies Act, 2013 the Company has transferred 12090 Equity Shares of Rs. 2/-, to the credit of IEPF Authority, on February 21, 2024, in respect of which dividend had not been paid or claimed by the members for Seven consecutive years.

In order to educate the shareholders and with an intent to protect their rights, the Company sends reminders to all such shareholders, whose dividend has remained unpaid/unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to IEPF Authority on the due date which is available at the Company's website www.iwpkatha.com.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Year	Type of dividend	Dividend per share (Rs.) ¹	Date of declaration	Due date for transfer	Amount (Rs.) ²
2016-17	Final Dividend	0.60	18.09.2017	18.11.2024	311348.40
2017-18	Final Dividend	1.25	17.09.2018	17.11.2025	638312.50
2018-19	Final Dividend	0.20	17.09.2019	17.11.2026	780511.50
2019-20	Final Dividend	0.10	25.09.2020	25.11.2027	350823.50
2020-21	Final Dividend	0.10	28.09.2021	29.11.2028	338886.00
2021-22	Final Dividend	0.05	26.09.2022	27.11.2029	171077.60
2022-23	Final Dividend	0.05	27.09.2023	29.11.2030	167888.90

⁽¹⁾ Not adjusted for bonus issue ⁽²⁾ Amount unclaimed as on March 31, 2024



Dividends remitted to IEPF during the last three years

Year	Type of dividend	Dividend declared on	Date of transfer to IEPF	Amount transferred to IEPF (Rs.)
2023-24	Final Dividend	28.09.2016	13.12.2023	171409
2022-23	Final Dividend	28.09.2015	24.11.2022	168279
2021-22	Final Dividend	25.09.2014	26.11.2021	127217
2020-21	Final Dividend	24.09.2013	26.11.2020	123227
2019-20	Final Dividend	11.09.2012	04.11.2019	120358

24. Links of key information available on the website:

Sr. No	Policy	Link
1	Corporate Social Responsibility Policy	https://www.iwpkatha.com/files/IWP_CSR_Policy.pdf
2	Composition and Profile of the Board of Directors	https://www.iwpkatha.com/board.html
3	Terms and Conditions of Appointment of Independent Directors	https://www.iwpkatha.com/files/codes-policies/Policy_Appointment%20of%20Independent%20Director.pdf
4	Familiarization Programme for Independent Directors	https://www.iwpkatha.com/files/codes-policies/Policy_%20Familiarization%20Programme%20for%20Independent%20Director.pdf
5	Remuneration policy of Directors, KMPs & other Employees	https://www.iwpkatha.com/files/codes-policies/Policy_Remuneration%20for%20Director%20&%20KMP.pdf
6	Code of Conduct	https://www.iwpkatha.com/files/codes-policies/Policy_Code%20of%20Conduct%20for%20BOD%20and%20Senior%20Management.pdf
7	Criteria for making payments to Non-Executive Directors	https://www.iwpkatha.com/files/codes-policies/Policy_Remuneration%20for%20Director%20&%20KMP.pdf
8	Policy on Related Party Transactions	https://www.iwpkatha.com/files/codes-policies/Policy_Related%20Party%20Transaction.pdf
9	Whistle Blower Policy	https://www.iwpkatha.com/files/Vigil_Mechanism_2015.pdf
10	Policy on the determination of Materiality for Disclosure(s)	https://www.iwpkatha.com/files/codes-policies/Policy_Disclosure%20of%20Material%20Events%20or%20Information.pdf

25. Reminder to Investors:

Reminders for unclaimed shares and unpaid dividends are sent to the shareholders as per records every year.

**For and on behalf of the Board of Directors of
The Indian Wood Products Co. Ltd.**

**Kolkata
30th May, 2024**

Krishna Kumar Mohta
Chairman & Managing Director
(DIN:00702306)

Bharat Mohta
CEO & WTD
(DIN: 00392090)



INDEPENDENT AUDITOR’S REPORT

To the Members of
The Indian Wood Products Co Ltd

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of The Indian Wood Products Co Ltd (“the Company”), which comprise the standalone balance sheet as at 31st March 2024, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year ended, 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”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit, total comprehensive income, the 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 together with the ethical requirements that are relevant to our audit of the standalone 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters (“KAM”) 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.

The Key Audit Matters	Auditors response
<p>Revenue from Sale of Goods</p> <p>The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(f) and as reflected in note 29 to the Ind AS Standalone financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts.</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> ● Considered the adequacy of the company’s revenue recognition policy and its compliance in terms of Ind AS 115 “Revenue from contracts with customers” ● Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. ● Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115.



The Key Audit Matters	Auditors response
	<ul style="list-style-type: none"> ● We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. ● Assessed the relevant disclosure made in the standalone financial statement.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

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 standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibility of Management and Those Charged with Governance for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 statement 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 judgement 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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.

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 book.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
- (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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the matter to be included in the Auditor’s Report under section 197(16)

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is

not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note No.- 52 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities



(“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures that have been considered reasonable and appropriate in circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement
- v. The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 16 to the financial statement, the Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of

account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail from July 2023 and it is capable of creating an edit log for each change made in books from July 2023. The same has operated throughout the year for all relevant transactions recorded in the respective software after June 2023.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered.

For **S K Agrawal and Co**
Chartered Accountants LLP
Chartered Accountants
FRN – 306033E/E300272

Jugal Kishore Choudhury
Partner
Membership No. 009367
UDIN-24009367BKDGOB1794

Place: Kolkata
Dated: 30th May 2024



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company does not have any intangible assets and hence reporting under this clause is not applicable.
 - (b) The Company has a regular programme of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, some of the Property, plant and equipment has been physically verified by the management during the year in accordance with the programme and no material discrepancies were noticed on such verification.
 - (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) According to the information and explanations given to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency and procedure of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion and according to information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial statements are not in agreement with the unaudited books of account of the Company of the respective quarters.



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the Banks	Quarter Ended	Particulars of Security Provided	Amount as per Books of Accounts (Rs. in lakhs)	Amount as per Quarterly Statements (Rs. in lakhs)	Differences (Rs. in lakhs)	Reasons for material differences
Union Bank of India, DBS Bank India Limited & Yes Bank Ltd	Jun-23	Inventories	6258.66	6280.04	-21.28	Variance in inventories are because of final valuation of FG and final assessment & valuation of In-process materials at the time of finalisation.
	Sep-23		6000.27	5944.80	55.47	
	Dec-23		6492.64	6468.57	24.07	
	Mar-24		6730.01	6701.52	28.49	
	Jun-23	Trade Receivables	5709.75	5709.75	-	Differences in debtors are because of adjustment of scheme discount allowed to parties as well as written off some debtors amount at the time of finalisation.
	Sep-23		5749.56	5749.55	0.01	
	Dec-23		5265.33	5265.35	-0.02	
	Mar-24		4968.64	4999.70	-31.06	

- iii. During the year, the company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, paragraph 3(iii)(a), (b), (c), (d), (e), (f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Act in respect making investments as applicable. The Company has not provided any guarantee or security or granted any loans during the year and thus the provisions of Sections 185 of the Act are not applicable on the Company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposit. Hence, reporting under clause 3 (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us in respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

other material statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Particulars	Amount under dispute not yet deposited (Rs. in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Central Sales tax, New Delhi	0.23	1987-88	Appellate Tribunal
Central Sales tax, New Delhi	74.58	2001-02	Appellate Tribunal
Central Sales tax, New Delhi	2.16	2002-03	Additional Commissioner
Local Sales tax, New Delhi	43.75	2002-03	Additional Commissioner
Mandi Samity	2.18	1997-98	Hon'ble High Court, Allahabad
UP Sales Tax	0.46	2010-11	Appeal before Additional Commissioner
Custom Act	643.56	2017-18	CESTAT, Nhava Seva
Income Tax Act	17.18	2017-18	Commissioner (Appeal)
Goods and Service Tax Act	14.67	2017-18	Additional Commissioner (Appeal)

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (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 any government authority.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has utilized the loan amount taken during the year for intended purpose and there is no unutilized term loan at the end of the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture.

(f) According to the information and explanation given to us and procedure performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its Joint venture. The Company does not hold any investment in any subsidiary or associate (as defined under the act) during the year ended 31st March 2024.

x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable.
- x. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) To the best of our knowledge and according to the information and explanations given to us there were no whistle-blower complaints, received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence, reporting under clause (xvi) (a) (b) of the Order is not applicable to the Company.
- (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 to the Company.
- (d) In our opinion, according to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanation 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



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

For S K Agrawal and Co
Chartered Accountants LLP
Chartered Accountants
FRN – 306033E/E300272

Jugal Kishore Choudhury
Partner
Membership No. 009367
UDIN-24009367BKDGOB1794

Place: Kolkata
Dated: 30th May 2024



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of The Indian Wood Products Co Ltd ("the Company") as of March 31, 2024 to the extent of records available with us in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely

preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone Financial

Statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **S K Agrawal and Co**
Chartered Accountants LLP
 Chartered Accountants
 FRN – 306033E/E300272

Jugal Kishore Choudhury
 Partner
 Membership No. 009367
 UDIN-24009367BKDGOB1794

Place: Kolkata
 Dated: 30th May 2024



Standalone Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3.1	37,914.62	38,129.08
Capital Work-in-Progress	3.2	29.51	9.83
Right to use Assets	3.3	322.40	378.72
Financial Assets			
- Investments	4	931.86	931.86
- Others	5	64.33	63.31
Other Non-Current Assets	6	273.81	276.70
		<u>39,536.53</u>	<u>39,789.50</u>
Current assets			
Inventories	7	6,730.01	6,192.13
Financial Assets			
- Trade Receivables	8	4,964.52	4,408.36
- Cash and Cash Equivalents	9	159.29	401.44
- Bank Balances other than above	10	29.48	29.35
- Loans	11	26.30	23.79
- Other Financial Assets	12	2.58	20.86
Current Tax Assets (Net)	13	37.84	15.01
Other Current Assets	14	1,893.34	2,291.66
		<u>13,843.36</u>	<u>13,382.60</u>
		<u>53,379.89</u>	<u>53,172.10</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity Share Capital	15	1,279.75	1,279.75
Other Equity	16	34,303.68	34,143.85
		<u>35,583.43</u>	<u>35,423.60</u>
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	17	380.26	688.24
- Lease Liabilities	18	99.84	145.00
- Others	19	3.00	4.25
Deferred Tax Liabilities (Net)	20	7,353.52	7,410.76
Provisions	21	57.78	24.05
Other Non-Current Liabilities	22	330.00	150.00
		<u>8,224.40</u>	<u>8,422.30</u>
Current Liabilities			
Financial Liabilities			
- Borrowings	23	7,248.61	7,028.90
- Lease Liabilities	24	45.16	56.47
- Trade Payables	25	-	-
Total outstanding dues of micro enterprise and small enterprise		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,398.59	1,479.83
- Others	26	184.29	201.69
Provisions	27	82.11	32.14
Other Current Liabilities	28	613.30	527.17
		<u>9,572.06</u>	<u>9,326.20</u>
		<u>53,379.89</u>	<u>53,172.10</u>
TOTAL EQUITY AND LIABILITIES			

Material Accounting Policies

1 - 2

The accompanying notes 1 - 56 are an integral part of the Financial Statements.

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

Place: Kolkata

Date: May 30, 2024

For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.

Krishna Kumar Mohta

Chairman & MD

DIN: 00702306

Bharat Mohta

WTD & CEO

DIN: 00392090

Raj Kumar Agarwal

Chief Financial Officer

Anup Gupta

Company Secretary

M. No. - A36061



Statement of Standalone Profit & Loss for the year ended 31st March 2024 (₹ in Lakhs)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue From Operations			
Revenue From Operations	29	19,173.62	18,207.79
Other Income	30	67.91	161.58
Total income		19,241.53	18,369.37
Expenses:			
Cost of material consumed	31	11,581.48	11,305.49
Purchase of stock in trade		73.36	125.19
Change in inventories of finished goods and work -in-progress	32	(48.62)	(156.15)
Employee benefits expense	33	2,103.82	1,999.61
Finance costs	34	842.49	678.98
Depreciation and amortisation expense	3.1	320.81	329.81
Other expenses	35	4,042.29	3,905.45
Total expense		18,915.63	18,188.38
Profit/(loss) before tax		325.90	180.99
Income Tax expense:			
Current tax	36	101.54	51.26
Deferred tax	36	(34.65)	(8.28)
Total Tax Expense		66.89	42.98
Profit/(loss) for the period		259.01	138.01
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit liability		(89.77)	12.81
Income tax expense relating to the above		22.59	(3.22)
Other Comprehensive Income/(loss) for the period		(67.18)	9.59
Total Comprehensive Income for the period		191.83	147.60
Earnings per equity share (for continuing operation):	37		
- Basic		0.40	0.22
- Diluted		0.40	0.22

Material Accounting Policies

1 - 2

The accompanying notes 1 - 56 are an integral part of the Financial Statements.

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

Place: Kolkata

Date: May 30, 2024

**For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta

Chairman & MD

DIN: 00702306

Bharat Mohta

WTD & CEO

DIN: 00392090

Raj Kumar Agarwal

Chief Financial Officer

Anup Gupta

Company Secretary

M. No. - A36061



Standalone Cash Flow Statement for the year ended 31st March 2024

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		325.90		180.99
Adjustment for				
Depreciation	320.81		329.81	
Finance Cost	842.49		678.98	
Interest Received	(0.20)		(0.28)	
Liabilities no longer required written back	(27.86)		(122.87)	
Provision under expected credit loss	0.56		4.56	
Unrealised Foreign Exchange Loss/(Gain)	(30.37)		1.02	
Loss / (Gain) on sale of Property, Plant & Equipment	6.38	1,111.81	5.20	896.42
Operating Profit/(Loss) before working capital changes		1,437.71		1,077.41
Adjustment for				
Trade & Other Receivables	(146.80)		(803.77)	
Inventories	(537.88)		(63.46)	
Trade & Other Payables	253.24	(431.44)	945.90	78.67
Cash generated from operations		1,006.27		1,156.08
Direct Tax Paid		(124.37)		(26.73)
Cash Flow before Exceptional Items		881.90		1,129.35
Exceptional Items		-		-
NET CASH FLOW FROM OPERATING ACTIVITIES		881.90		1,129.35
B CASH FLOW FROM INVESTING ACTIVITIES				
Investment in shares		-		-
Purchase of Fixed Assets		(125.53)		(280.59)
Sale of Fixed Assets		18.97		32.06
NET CASH USED IN INVESTING ACTIVITIES		(106.56)		(248.53)


Standalone Cash Flow Statement for the year ended 31st March 2024 (Contd.) (₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	292.24	771.66
Repayment of Borrowings	(380.51)	(511.87)
Repayment of lease liabilities	(56.47)	(55.02)
Dividend and Dividend paid	(32.13)	(32.05)
Interest paid (Net)	(840.48)	(674.60)
NET CASH USED IN FINANCING ACTIVITIES	(1,017.36)	(501.88)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(242.02)	378.94
CASH AND CASH EQUIVALENTS (Refer Note 9 & 10)		
AT THE BEGINNING OF THE YEAR	430.79	51.85
AT THE END OF THE YEAR	188.77	430.79

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

Place: Kolkata

Date: May 30, 2024

**For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta

Chairman & MD

DIN: 00702306

Bharat Mohta

WTD & CEO

DIN: 00392090

Raj Kumar Agarwal

Chief Financial Officer

Anup Gupta

Company Secretary

M. No. - A36061

**Statement of Standalone Changes in Equity as at 31st March 2024****a) Equity Share Capital****(1) Current Reporting Period**

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Share Capital due to Prior Period Errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the Current Reporting Period
1,279.75	–	1,279.75	–	1,279.75

(2) Previous Reporting Period

Balance at the beginning of the Current Reporting Period	Changes in Share Capital due to Prior Period Errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the Current Reporting Period
1,279.75	–	1,279.75	–	1,279.75

(b) Other Equity**(1) Current Reporting Period**

(₹ in Lakhs)

Particulars	Other Equity			Total
	Reserve & Surplus		Other Comprehensive Income	
	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance at the beginning of the Current Reporting Period	0.03	34,186.90	(43.08)	34,143.85
Changes in accounting policies or prior period errors	–	–	–	–
Restated balance at the beginning of the current reporting period	0.03	34,186.90	(43.08)	34,143.85
Total Comprehensive Income / (loss)	–	259.01	(67.18)	191.83
Dividend paid	–	(32.00)	–	(32.00)
Balance at the end of the Current Reporting Period	0.03	34,413.91	(110.26)	34,303.68



Statement of Standalone Changes in Equity as at 31st March 2024 (Contd.)

(2) Previous Reporting Period

(₹ in Lakhs)

Particulars	Other Equity			Total
	Reserve & Surplus		Other Comprehensive Income	
	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance at the beginning of the Previous Reporting Period	0.03	34,080.89	(52.67)	34,028.25
Changes in accounting policies or prior period errors	–	–	–	–
Restated balance at the beginning of the previous reporting period	0.03	34,080.89	(52.67)	34,028.25
Total Comprehensive Income / (loss)	–	138.01	9.59	147.60
Dividend paid	–	(32.00)	–	(32.00)
Balance at the end of the Previous Reporting Period	0.03	34,186.90	(43.08)	34,143.85

Material Accounting Policies

The accompanying notes 1 - 56 are an integral part of the Financial Statements

In terms of our Report attached
For **S K Agrawal and Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration Number - 306033E/E300272
Jugal Kishor Choudhury
Partner
Membership No.: 009367

Place: Kolkata
Date: May 30, 2024

For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.

Krishna Kumar Mohta **Bharat Mohta**
Chairman & MD WTD & CEO
DIN: 00702306 DIN: 00392090

Raj Kumar Agarwal **Anup Gupta**
Chief Financial Officer Company Secretary
M. No. - A36061



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Background and Operations

The Indian Wood Products Company Limited (the Company) is a public Company domiciled in India and was incorporated on 23rd December, 1919 under the provisions of the Companies Act, 1913. The Company was listed with The Calcutta Stock Exchange Ltd upto 11th August, 2018, as voluntary delisting permission was granted by the exchange and at present the Company is listed only with BSE Ltd. The registered office of the Company is at Bombay Mutual Building, 9, Brabourne Road, 7th Floor, Kolkata-700001 and has a head office and works at Izzatnagar, Bareilly (U.P). The Company is primarily engaged in the manufacturing of Katha in India. Registered Address of other places where manufacturing activities are carried on are disclosed suitably in this report elsewhere.

2. Material Accounting Policies

This note provides a list of the material accounting policies adopted in preparation of these Financial Statements. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements were approved by Board of Directors on 30th May, 2024.

a) Basis of Preparation:

I. Compliance with IND AS:

These Financial Statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules 2016. The Company adopted Ind AS from 1st April, 2017.

II. Historical cost convention:

The Financial Statements have been prepared on a historical cost basis, except for the following:

- i. Land which is revalued as on 1st April'16
- ii. Certain Financial Assets and Liabilities (including derivative instruments) and contingent consideration that are measured at fair value; and
- iii. Defined Benefit Plan Assets measured at fair value;

b) Property, Plant and Equipment

Freehold land is carried at the revalued figure as per the Valuation done by the management based on circle rate of 1st April'16. All the other items of Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any, cost of acquisition includes taxes, duties, freight and other incidental expenses related to acquisition and installation.

Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the Company and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. All other repairs & maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Depreciation and amortization:

Depreciation is calculated using the straight-line method



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

to allocate cost of Property, Plant and Equipment, net of residual values, over their estimated useful lives as follows:

Asset Class	Useful Life (In years)
Building	3 to 60
Plant & Machinery*	10 to 30
Electric Installations*	10 to 30
Laboratory Apparatus	10
Motor Vehicles*	8 to 10
Computers*	3 to 8
Office Equipment's*	3 to 15
Furniture and Fixtures	10

*Based on management evaluation, the useful lives as given above best represent the period over which the Management expects to use these Assets. Hence, the useful lives of for these Assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions / deletions during the year is provided from the date on which the asset is capitalized up to the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

The Company reviews the residual values, useful lives and methods of depreciation of plant, property and equipment at each financial year end and adjusts prospectively, if appropriate.

c) Operating Cycle

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

d) Financial assets:

i. Classification:

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

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

ii. Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii. Impairment of financial assets:

The Company assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions through Expected Credit Loss Method, wherever required.

e) Foreign Currency Transactions and Translation:

i. Functional and presentation currencies:

Items included in the Financial Statements of the Company are measured using the currency of the



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in INR which is the functional and presentation currency for the company.

II. Transactions & Balances:

Foreign Currency Transactions are translated into the functional currency at the Exchange Rates on the date of transaction. Foreign exchange Gains and Losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the closing rates are generally recognized in the Statement Profit and Loss.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign Joint Venture are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or Fair Values determined.

f) Revenue Recognition

With effect from 1 April 2018, the Company has adopted IND AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under IND AS 115, revenue is recognised on satisfaction of performance obligation at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company has elected to apply the Cumulative catch up method in adopting IND AS 115. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures. Revenue is recognised to the extent that it is probable

that the economic benefits will flow to the Company and can be reliably measured. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue is recognized on satisfaction of performance obligation at an amount that reflects the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount. Interest Income are included under the head "Other Income" in the Statement of Profit and Loss.

Disaggregation of revenue:

Note 29 presents disaggregated revenues from contracts with customers for the year ended March 31, 2024 by performance obligation. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

g) Inventories:

- a. Raw Material, Stores and Spares are valued at lower of cost and net realizable value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

- b. Work-in-progress, Finished Goods are valued at lower of cost and net realizable value.
- c. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost is assigned on the basis of weighted average method.

h) Trade Receivables:

Trade receivables are initially recognized at transaction price, and subsequently measured at amortized cost by providing loss allowance at an amount equal to lifetime expected credit losses.

The company recognizes loss allowance on trade receivable, which does not contain a significant financing component, using “simplified approach” at an amount equal to Lifetime Expected Credit Loss (ECL) considering the risk or probability that a credit loss may occur, even if the possibility of a credit loss occurring is very low, time value of money based on reasonable and supportable information that are available.

Loss allowances on trade receivable are recognized in the Statement of Profit and Loss within other expenses.

i) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

j) Borrowings:

Borrowings are initially recognised at fair value, net of

transaction costs incurred. Borrowings are subsequently measured at amortised cost Effective Interest Method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings.

k) Income Taxes:

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

in other comprehensive income or directly in equity, respectively

l) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed out in the Statement of Profit & Loss Account in the period in which they are incurred.

m) Employee Benefits:

i. Short term Employee benefit Expenses:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Defined Contribution Plan - Provident fund:

Contribution to Provident fund is made at a predetermined rate and charged to revenue on accrual basis.

iii. Defined Benefit Plan - Gratuity:

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income and the Statement of Profit and Loss in a subsequent period.

The company contributes to a Group Insurance - cum - Gratuity Scheme with Life Insurance Corporation of India towards meeting its gratuity obligation.

iv. Bonus and Production Linked Incentive:

The Company recognizes a liability and expenses for bonus as per Bonus Act'1949. The Company also recognizes a liability and expenses for Incentive Bonus as per agreement entered into with the worker union. The Company recognizes a provision where there is a past practice that has created constructive obligations and a reliable estimate of such obligations.

v. Leave encashment / Compensated absences:

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided at each Balance Sheet date on the basis of an actuarial valuation using the Projected Unit Credit method.

Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The Company contributes to a Group Leave Encashment Plan with Life Insurance Corporation of India towards meeting its leave obligation.

Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to be retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

n) Provisions and Contingent Liabilities and Assets:

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

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

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

o) Cash and Cash Equivalents:

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

p) Impairment of Assets:

Assets are assessed by the Company at each reporting period whether there is an indication of impairment that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which asset's carrying amount exceeds its recoverable

amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use.

q) Earnings Per Share:

Basic earnings per share: A basic earnings per share is calculated by dividing:

- i. the profit attributable to owners of the Company
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year .

Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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

r) Segment Reporting:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Segment Accounting Policies:

The Company prepares its segment information in conformity with the accounting policies that are adopted for preparing and presenting the financial statements of the Company as a whole.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

s) Rounding off:

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated

t) Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. These estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions the Company may take in future.

Information about critical estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are:

- i. Impairment of financial assets (including trade receivable)
- ii. Estimation of defined benefit
- iii. Estimation of current tax expenses and payable
- iv. Estimation of provisions and contingencies

u) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised,

initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate

used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Land & building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)



Note 3.1 – Property, Plant and Equipment (₹ in Lakhs)

Particulars	Freehold Land	Building	Computer Equipment	Effluent Treatment Plant	Electrical Installations	Furniture & Fixtures	Laboratory Apparatus	Motor Car & Vehicle	Office Equipments	Plant & Machinery	Refrigeration & Cooling System	Trolleys & Trays	Tube Well	Weighing Scale	Total
Gross Block															
At April 1, 2022	35,737.74	684.97	19.31	136.23	227.99	88.63	22.08	392.64	30.73	1,167.34	1,000.02	221.36	3.81	13.38	39,746.26
Additions	–	3.00	2.71	1.56	0.69	2.37	1.28	35.55	1.55	26.22	74.14	2.44	0.35	0.52	152.38
Disposals / deductions	–	–	–	–	(76.20)	–	–	(91.94)	–	(19.81)	–	–	–	–	(187.95)
At March 31, 2023	35,737.74	687.97	22.02	137.79	152.48	91.00	23.36	336.25	32.28	1,173.75	1,074.16	223.80	4.16	13.90	39,710.69
Additions	–	14.84	0.82	5.31	0.21	5.77	4.29	16.94	1.58	18.72	9.71	0.47	1.17	0.08	79.89
Disposals/Deduction	–	–	(0.46)	–	–	–	–	(43.64)	–	(20.38)	–	–	–	–	(64.47)
Written off	–	–	(4.28)	–	–	(0.32)	–	–	(1.19)	(4.46)	–	(1.09)	–	(0.60)	(11.95)
At March 31, 2024	35,737.74	702.81	18.10	143.10	152.69	96.44	27.65	309.55	32.67	1,167.63	1,083.87	223.17	5.33	13.37	39,714.16
Accumulated Depreciation															
At April 1, 2022	–	103.38	11.20	17.71	122.33	28.90	2.45	197.22	23.77	453.55	442.30	61.67	(0.44)	0.88	1,464.93
Charge for the year	–	30.76	3.18	7.35	17.02	9.76	2.01	45.42	3.01	68.53	70.97	13.93	0.36	1.18	273.48
Disposals	–	–	–	–	(71.12)	–	(0.02)	(75.51)	–	(5.11)	–	–	–	–	(151.76)
Written Off	–	–	–	–	–	–	–	(5.06)	–	–	–	–	–	–	(5.06)
At March 31, 2023	–	134.14	14.38	25.06	68.23	38.66	4.44	162.07	26.78	516.97	513.27	75.60	(0.08)	2.06	1,581.59
Charge for the year	–	30.79	2.56	7.48	14.81	9.66	2.09	42.85	1.72	65.53	71.47	13.92	0.41	1.20	264.49
Disposals / deductions	–	–	(0.38)	–	–	–	–	(35.27)	–	(4.45)	–	–	–	–	(40.09)
Written Off	–	–	(3.77)	–	–	(0.14)	–	–	(1.06)	(1.11)	–	(0.12)	–	(0.26)	(6.47)
At March 31, 2024	–	164.93	12.79	32.54	83.04	48.17	6.53	169.65	27.44	576.94	584.74	89.39	0.33	3.00	1,799.52
Net Block															
At March 31, 2023	35,737.74	553.83	7.65	112.74	84.24	52.34	18.92	174.18	5.50	656.78	560.89	148.21	4.24	11.84	38,129.08
At March 31, 2024	35,737.74	537.88	5.31	110.56	69.65	48.29	21.10	139.90	5.18	590.71	499.11	133.80	5.00	10.39	37,914.62

3.2 Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Opening as on 01.04.2022	Additions	Capitalised	Closing as at 31.03.2023	Additions	Capitalised/ Transferred	Closing as at 31.03.2024
Machine under erection	26.25	9.83	26.25	9.83	19.68	0.00	29.51



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

As at 31st March' 2024

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1–2 years	2 – 3 years	More than 3 years	
Machine under Erection	19.68	9.83	–	–	29.51
Assets Other than above	–	–	–	–	–
Total	19.68	9.83	–	–	29.51

As at 31st March' 2023

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1–2 years	2 – 3 years	More than 3 years	
Machine under Erection	9.83	–	–	–	9.83
Assets Other than above	–	–	–	–	–
Total	9.83	–	–	–	9.83

3.3 Right of Use Asset

(₹ in Lakhs)

Particulars	Leasehold Land	Building
As at April 1, 2022	261.49	514.79
Recognition/ Reclassification on transition to Ind AS-116	–	–
Additions	–	–
Disposals / deductions	–	–
At March 31, 2023	261.49	514.79
Additions	–	–
Disposals / deductions	–	–
At March 31, 2024	261.49	514.79
Accumulated Depreciation		
As at April 1, 2022	20.16	321.07
Charge for the year	6.45	49.88
Disposals	–	–
At March 31, 2023	26.61	370.95
Charge for the year	6.45	49.87
Disposals	–	–
At March 31, 2024	33.06	420.82
Net Block		
At March 31, 2023	234.88	143.84
At March 31, 2024	228.43	93.97

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 4 - Non Current - Financial Assets - Investments**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in Equity Shares, Unquoted		
Investment in Joint Venture (at Cost unless stated otherwise)		
M/s. Agro and Spice Trading Pte Ltd, Singapore* 14,00,050 Equity Shares of USD 1	931.86	931.86
Total Aggregate amount of Unquoted Investment	931.86	931.86

*Note: M/s Agro and Spice Trading Pte Ltd, Singapore is 50% Joint Venture of the Company as at Balance Sheet Date.

Note 5 - Non Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured and considered good		
Security Deposits	59.62	58.72
Others		
Fixed Deposit Against Sales Tax (Refer Note 52)	2.64	2.64
Fixed Depoist Against Others Compliances	2.07	1.95
Total	64.33	63.31

Note 6 - Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances	174.14	189.96
Advance other than capital advance		
Prepaid Expenses	3.41	5.47
Tax payment under Protest (Refer Note 52)	96.26	81.27
Total	273.81	276.70



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 7 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(At lower of cost and net realisable value)		
Raw Materials*	2,125.78	1,702.87
Work -in- progress	3,282.09	2,853.58
Finished Goods	977.36	1,357.25
Stores and Spares	331.38	260.69
Consumables	11.66	16.39
Tools and Implements	1.74	1.35
Total	6,730.01	6,192.13
*Raw Material includes goods in transit	293.32	383.13

Note 8 - Current Financial Assets - Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good (Refer Note 49)		
Due from Others	4,968.64	4,418.52
Less: Allowance for credit impairment	4.12	10.16
Total	4,964.52	4,408.36

Note 9 - Current Financial Assets - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with banks		
In Current Account	150.90	383.91
Cheques in Hand	—	7.28
Cash on hand	8.39	10.25
Total	159.29	401.44

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 10 - Current Financial Assets - Bank Balances other than Cash and Cash Equivalents** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with banks		
In Restricted Bank Account (Unclaimed Dividend)	27.59	27.74
In Deposit Account with Banks and Financial Institutions		
Against Margin Money	1.89	1.61
Total	29.48	29.35

Note 11 - Current Financial Assets - Loans (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered goods		
Loan to employees	26.30	23.79
Total	26.30	23.79

Note 12 - Other Current Financial Assets (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Others*	–	20.86
Insurance Receivable	2.58	–
Total	2.58	20.86

* Others includes charges receivables from Bank

Note 13 - Current Tax Assests (Net) (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Tax (Net of provision)	37.84	15.01
Total	37.84	15.01



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 14 - Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered good		
Advance other than capital advance		
Advance to Suppliers	1,217.10	1,717.34
Unsecured, Considered Significant Increase in credit risk		
Advance to Suppliers	66.00	–
Less:- Provision for expected credit loss	6.60	–
	<u>59.40</u>	<u>–</u>
Other Advances	0.81	11.46
Gratuity Fund	–	34.56
Prepaid Charges	52.28	43.86
Balances with Government Authorities	563.75	484.44
Total	<u>1,893.34</u>	<u>2,291.66</u>

Note 15 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised		
Equity Shares 7,50,00,000 of Rs.2/- each	1,500.00	1,500.00
Issued, subscribed and fully paid up		
Equity Shares 6,39,72,720 of Rs.2/- each	1,279.45	1,279.45
Add: 5,682 Equity Shares Forfeited (amount originally paid up)	0.30	0.30
Total	<u>1,279.75</u>	<u>1,279.75</u>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****(a) Reconciliation of Equity Shares Outstanding**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	6,39,72,720	1,279.45	6,39,72,720	1,279.45
Change during the year	-	-	-	-
Shares outstanding at the end of the year	6,39,72,720	1,279.45	6,39,72,720	1,279.45

(b) Terms and Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Security Company Limited	1,23,25,442	19.27	1,23,25,442	19.27
Savita Mohta	91,60,200	14.32	91,60,200	14.32
Bharat Mohta	76,37,530	11.94	76,37,530	11.94
Avanti Mohta	75,26,160	11.76	75,26,160	11.76
Bharat Mohta HUF	45,50,000	7.11	45,50,000	7.11

(d) Shares reserved for issue under options

As at 31st March 2024 the Company does not have any outstanding options.

(e) Information regarding issue of shares for the period of five years immediately preceding the date at which the Balance Sheet is prepared:

- The Company has not issued any shares without payment being received in cash
- The Company has not undertaken any buy-back of shares.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(f) Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoters Name	No. of shares	% of total Shares	
Krishna Kumar Mohta	19,79,802	3.09	–
Krishna Kumar Mohta (HUF)	2,80,000	0.44	–
Bharat Mohta	76,37,530	11.94	–
Bharat Mohta (HUF)	45,50,000	7.11	–
Savita Mohta	91,60,200	14.32	–
Avanti Mohta	75,26,160	11.76	–
Security Company Limited	1,23,25,442	19.27	–
Indian Glass & Electricals (P) Ltd	12,00,000	1.88	–
Arvind Engineering Works Ltd	6,08,400	0.95	–
Acma Industrial Projects (P) Ltd	2,30,124	0.36	–

Note 16 - Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve	0.03	0.03
Retained Earnings (Refer Note (i))	34,413.90	34,186.89
Closing Balance	34,413.93	34,186.92
Other Comprehensive Income Reserve - Opening	(43.07)	(52.66)
Add: During the year	(89.77)	12.81
Less: Deferred tax	22.59	(3.22)
Closing Balance	(110.25)	(43.07)
Total	34,303.68	34,143.85

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Nature and Purpose of reserve**

- a) **Capital Reserve:** Premium on reissue of forfeited shares
- b) **Remeasurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

Note (i) :- Movement in Retained Earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
General Reserve - Opening	28,104.42	28,104.42
Closing Balance	28,104.42	28,104.42
Profit & Loss Account - Opening	6,082.47	5,976.46
Add: Profit During the year	259.01	138.01
Less: Dividend	32.00	32.00
Closing Balance	6,309.48	6,082.47
Total	34,413.90	34,186.89

Note (ii) - The Board of Director has recommended a Dividend of Re. 0.10 per Equity Share of Rs. 2/- each subject to the approval of Shareholders in the ensuing Annual General Meeting. Proposed Dividend as above amounting to Rs. 63.97 lakhs for the Financial Year 2023-24 has not been recognised as liability as on 31-03-2024 in term of Revised "IND AS 10 - Events after the Reporting Period". Consequently the same has not be appropriated from surplus during the Year.

Note 17 - Non Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at Amortised Cost		
Secured		
From Banks		
Term Loan (Refer Note :- 39)	569.45	833.52
Vehicle Loan	26.11	58.17
	595.56	891.69
Less:- Current Maturities of Long term borrowings	309.30	297.45
	286.26	594.24
Unsecured		
From related parties	94.00	94.00
Total	380.26	688.24



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 18 - Non Current Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	99.84	145.00
Total	99.84	145.00

Note 19 - Non Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Deposits	3.00	4.25
Total	3.00	4.25

Note 20 - Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax liability		
on difference in tax base of Property, plant and Equipment other than land	35.75	51.53
on Amortisation of upfront fees	–	0.84
on revaluation of land	7,361.89	7,361.89
Total Deferred Tax liability (a)	7,397.64	7,414.26
Deferred tax Assets		
on remeasurement of defined benefit liability	40.57	–
on Amortisation of upfront fees	0.70	0.65
on other taxable temporary difference	2.85	2.85
Total Deferred Tax assets (b)	44.12	3.50
Deferred Tax Liability (Net) (a-b)	7,353.52	7,410.76

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 21 - Non Current Provisions**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefit		
Leave Encashment	23.77	24.05
Gratuity	34.01	—
Total	57.78	24.05

Note 22 - Other Non Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance against development of property	330.00	150.00
Total	330.00	150.00

Note 23 - Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at Amortised Cost		
Secured		
Current Maturity of Long Term Borrowing (Refer Note :- 39)		
Term Loans from Banks	293.45	264.00
Vehicle Loans	15.86	33.45
SID Loan	299.12	290.99
Loan repayable on demand		
Secured		
From banks (Refer note :- 39)		
Cash Credit	3,827.18	3,572.53
Working Capital Demand Loan	2,450.00	2,450.00
Unsecured		
From Body Corporates	363.00	417.93
Total	7,248.61	7,028.90



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 24 - Financial Liabilities - Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	45.16	56.47
Total	45.16	56.47

Note 25 - Financial Liabilities - Trade Payable

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total outstanding dues of micro enterprise and small enterprise	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note No 48)	1,398.59	1,479.83
Total	1,398.59	1,479.83

Note 26 - Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payable to Employees	139.04	158.31
Unclaimed Dividend	27.59	27.73
Interest accrued but not due	17.66	15.65
Total	184.29	201.69

Note 27 - Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provisional for Employee Benefits		
Leave Encashment	49.90	10.35
Gratuity	24.50	–
Others		
Rates & Taxes	7.71	21.79
Total	82.11	32.14

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 28 - Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contract Liability	38.04	61.56
Statutory dues payable	575.26	465.61
Total	613.30	527.17

Note 29 - Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Products		
- Katha	18,086.93	16,993.82
- Cutch	645.89	496.84
- Spices	350.85	582.52
Other Operating Revenue	89.95	134.61
Total	19,173.62	18,207.79

Note 30 - Other Income

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Income on Bank Deposits	0.20	0.28
Liabilities no longer required written back	27.86	122.87
Insurance Claim	14.77	10.11
Scrap Sale	17.68	18.63
Miscellaneous Income	7.40	9.69
Total	67.91	161.58



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 31 - Cost of Material Consumed

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Stock	1,319.74	1,538.82
Purchases of Raw Materials	12,063.50	11,033.03
Add: Extraction Expenses	61.07	52.36
Foreign Exchange Fluctuations (Net)	(30.37)	1.02
	<u>13,413.94</u>	<u>12,625.23</u>
Less : Closing Stock	1,832.46	1,319.74
Cost of Material Consumed	<u>11,581.48</u>	<u>11,305.49</u>

Note 32 - Change in inventories of finished goods and work -in-progress

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening stock (Finished Goods & Stock in Progress)	4,210.83	4,054.68
Closing stock (Finished Goods & Stock in Progress)	4,259.45	4,210.83
Total	<u>(48.62)</u>	<u>(156.15)</u>

Note 33 - Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries and Wages	1,868.21	1,791.54
Contribution to Provident and Other Fund	117.24	109.11
Staff welfare expenses	118.37	98.96
Total	<u>2,103.82</u>	<u>1,999.61</u>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 34 - Finance Cost**

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on Borrowings	804.75	589.63
Other Interest Expenses	25.85	68.73
Other Borrowing Cost	11.89	20.62
Total	842.49	678.98

Note 35 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Power and Fuel	1,242.24	1,077.44
Stores and Spare parts consumed	698.00	820.76
Consultancy and Service Charges	350.58	343.91
Machine Katha Expenses	602.34	447.30
Factory Maintenance Charges	130.38	128.62
Frieght and Selling Expenses	206.34	281.22
Insurance	46.95	44.86
Other Consumable and Chemicals Consumed	104.76	105.43
Rates and Taxes	18.91	49.60
Rent	110.85	121.68
Repairs to Buildings	24.66	10.99
Repairs to Plant & Machinery	82.68	67.69
Repairs to Others	60.75	49.49
CSR Expenses	40.50	6.53
Traveling Expenses	68.89	110.49
Auditors Renumeration For Audit fees	4.00	4.00
Auditors Renumeration For Other Services	2.32	1.39
Directors sitting fees	3.29	1.37
Loss on sale of property, plant and equipment	6.38	5.20
Miscellaneous Expenses	237.47	227.48
Total	4,042.29	3,905.45



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 36 - Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(1) Current tax		
Current Tax Expenses	101.54	51.26
Total	101.54	51.26
(2) Deferred tax		
Deferred Tax expense/(income)	(34.65)	(8.28)
Total	66.89	42.98

Reconciliation of effective tax rate

The Income tax expenses for the year can be reconciled to the accounting profit as follows:-

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit Before Tax	325.90	180.99
Income Tax expenses calculated @ 25.17%	82.03	45.56
Effect of Non deductible expenses	(18.81)	-
Other differences	3.67	(2.58)
Tax Expenses recognised in Profit & Loss Account	66.89	42.98
Effective Tax Rate	20.52%	23.74%

Note 37 - Earnings Per Share

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Net Profit for calculation of Basic and Diluted EPS (₹ in lakhs)	259.01	138.01
(b) Weighted Average Number of Equity Shares in calculation of Basic and Diluted EPS	6,39,72,720	6,39,72,720
(c) Nominal value per share (₹)	2	2
Basic and Diluted EPS (₹) (a/b)	0.40	0.22

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 38 - Related Party Transaction****(i) Name of related parties and nature of relationship:-**

Parties where Control Exists	Country of Operation	As at 31st March, 2024	As at 31st March, 2023
Joint Venture Agro and Spice Trading Pte Ltd	Singapore	50%	50%
Subsidiaries of Joint Venture PT Sumatra Resources International PT Thea Universal Trade	Indonesia Indonesia		

Key Management Personnel (KMP)

Name	Position Held
Mr. Krishna Kumar Mohta	Chairman & Managing Director
Mr. Bharat Mohta	CEO & Whole Time Director
Mr. Raj Kumar Agarwal	Chief Financial Officer
Mr. Anup Gupta	Company Secretary

Other Directors

Name	Position Held
Mr. Rajendra Prasad Chetani	Non-Executive Non-Independent Director
Mr. Sanjay Kumar Maheswary	Independent Director
Mr. Vinod Kumar Maheshwary	Independent Director
Ms. Drisha Poddar	Independent Director
Mr. Surendra Kumar Bagri	Independent Director
Mr. Suman Mimani	Independent Director (w.e.f 13.02.2024)

Relatives of Key Management Personnel

Name	Position Held
Mrs. Savita Mohta	Spouse of Mr. K. K. Mohta (Chairman & Managing Director)
Mrs. Avanti Mohta	Spouse of Mr. Bharat Mohta (WTD & CEO)
M/s Krishna Kumar Mohta HUF	Karta is Chairman & Managing Director
M/s Bharat Mohta HUF	Karta is WTD & CEO

Enterprises having significant influence

Name	Position Held
ACMA Industrials Projects (P) Ltd	Significant Control
Arvind Engineering Works Ltd	Common Director
Security Company Limited	Common Director
Indian Glass & Electricals Pvt Ltd	Common Director
IWP CSR TRUST	Significant Control



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 38 - Related Party Transaction (Contd.)

(ii) The following transactions occurred with related parties:-

(₹ in lakhs)

Particulars	KMP/Other Directors & Relatives of KMP		Parties with Control Entities		Enterprises having Significant Influence	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Remuneration and Employee Benefits						
Krishna Kumar Mohta	165.99	99.66	-	-	-	-
Bharat Mohta	129.59	103.72	-	-	-	-
Raj Kumar Agarwal	24.86	22.13	-	-	-	-
Anup Gupta	9.19	8.30	-	-	-	-
Director Sitting Fees						
Mr. Rajendra Prasad Chetani	0.72	0.18	-	-	-	-
Mr. Sanjay Kumar Maheswary	0.72	0.29	-	-	-	-
Mr. Vinod Kumar Maheshwary	0.72	0.38	-	-	-	-
Ms. Drisha Poddar	0.38	0.30	-	-	-	-
Mr. Surendra Bagri	0.60	0.23	-	-	-	-
Mr. Suman Mimani	0.15	-	-	-	-	-
Purchase of Raw Material						
PT Sumatra Resources International, Indonesia	-	-	137.33	326.80	-	-
CSR Expenses						
IWP CSR TRUST	-	-	40.50	6.53	-	-
Interest on Unsecured Loans Taken						
Indian Glass & Electricals (P) Ltd	-	-	-	-	6.66	6.66
Security Co Ltd	-	-	-	-	2.40	2.40
Dividend Paid						
Mr. Krishna Kumar Mohta	0.99	0.99	-	-	-	-
Mr. Bharat Mohta	3.82	3.82	-	-	-	-
Mrs. Savita Mohta	4.58	4.58	-	-	-	-
Mrs. Avanti Mohta	3.76	3.76	-	-	-	-
M/s Krishna Kumar Mohta HUF	0.14	0.14	-	-	-	-
M/s Bharat Mohta HUF	2.28	2.28	-	-	-	-
Arvind Engineering Works Ltd	-	-	-	-	0.30	0.30
Security Company Limited	-	-	-	-	6.16	6.16
Acma Industrial Projects (P) Ltd	-	-	-	-	0.12	0.12
Indian Glass & Electricals (P) Ltd	-	-	-	-	0.60	0.60

Mr. R.P Chetani, Mr. R.K Agarwal, Mr. V.K. Maheshwary and Mr. S. K. Maheswary have also been paid Dividend but the amount is below Rs. 1000/- hence not reported above.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****Note 38 - Related Party Transaction (Contd.....)**

(iii) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties: (₹ in lakhs)

Particulars	Enterprises having Significant Influence	
	As at 31st March, 2024	As at 31st March, 2023
(i) Unsecured Loans		
Indian Glass & Electricals (P) Ltd	74.00	74.00
Security Co Ltd	20.00	20.00

39 a) Working Capital facilities and ECLGS Loan are from Union Bank of India, DBS Bank India Ltd and Yes Bank Ltd under Multiple Banking Arrangements (MBA) secured by charge of stocks of Raw material, Katha and Cutch whether Raw or in process of manufacture and all articles manufactured there from, Stores, Book debts, Plant & Machinery and certain other assets and mortgaged by deposit of title deeds of Land at Bareilly measuring 91,600 square meter on pari – passu basis and have been guaranteed by Promoter Director(s).

Current Year (₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
DBS Bank India Ltd				
Cash Credit Account	Repo + 3.30%		–	1,983.27
Sales Invoice Discounting (SID)	9.45%		–	299.12
Union Bank of India				
Term Loan	9.25%	48 Months starting from 18.01.2022	276.00	293.45
Cash Credit Account	EBLR + 0.70%		–	1,904.78
Yes Bank				
Cash Credit Account	Repo + 2.50%		–	(60.86)
Working Capital Demand Loan	8.30% & 8.65%		–	2,450.00



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Previous Year

(₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
DBS Bank India Ltd				
Cash Credit Account	MCLR + 1.15%	–	–	266.93
Working Capital Demand Loan	7.10%	–	–	1,400.00
Union Bank of India				
Term Loan	7.85%	18 Instalment starting from 30.11.2020	–	3.89
Term Loan	EBLR + 1%	48 Months starting from 18.01.2022	803.80	287.50
Cash Credit Account	MCLR + 0.95%	–	–	2,334.81
CITI Bank				
Term Loan	9%	18 Instalment starting from April 3, 2019, April 4, 2019, April 25, 2019 & Aug 30, 2019	128.35	97.57
Cash Credit Account	8.25%	–	–	(183.85)
Working Capital Demand Loan	7.10%	–	–	2,100.00

39 b) Vehicle Loans sanctioned by Banks /NBFC against hypothication of the respective vehicle

Current Year

(₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
ICICI Bank Ltd.	8.20%	60 Instalment starting from Aug 05, 2022	12.96	4.84
Kotak Mahindra Prime Ltd	8.14%	60 Instalment starting from Nov 5, 2020	1.61	2.92
Union Bank of India	9.15%	60 Instalment starting from Nov 30, 2018	1.28	1.08
Yes Bank Limited	9.00%	60 Instalment starting from Feb 02, 2019	–	1.42

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)**

Previous Year				(₹ in lakhs)
Banks	Rate of Interest	Repayment Terms	Non Current	Current
ICICI Bank Ltd.	8.20%	60 Instalment starting from Aug 05, 2022	17.80	4.46
Kotak Mahindra Prime Ltd	8.14%	60 Instalment starting from Nov 5, 2020	4.53	2.69
Yes Bank Limited	8.50%	60 Instalment starting from Jan 15, 2018	–	0.21
Axis Bank Limited	8.61%	60 Instalment starting from Oct 01, 2018	–	11.12
Union Bank of India	9.15%	60 Instalment starting from Nov 30, 2018	2.25	1.08
Yes Bank Limited	8.50%	60 Instalment starting from July 15, 2018	–	5.09
Yes Bank Limited	9.00%	60 Instalment starting from Feb 02, 2019	0.14	6.61
Yes Bank Limited	9.00%	60 Instalment starting from Nov 02, 2018	–	2.18

- 40 The Company operates in only one primary Business Segment, i.e., manufacturing and trading in Katha and in only one Geographic Segment i.e., India. Accordingly there are no separate reportable segment as per IND AS 108.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

41 DISCLOSURES REQUIRED UNDER THE MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT.

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Principal amount and Interest due thereon remaining unpaid to any supplier as on	–	–
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	–	–
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	–	–
The amount of interest accrued and remaining unpaid.	–	–
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under this Act.	–	–

42 Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013, CSR Committee has been formed by the Company. The details of expenditure being incurred during the year on CSR activities are (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Amount required to be spent by the company during the year	0.76	6.53
Amount of expenditure incurred	40.50	6.53
Shortfall at the end of the year	–	–
Total of previous years shortfall	–	–
Reason for shortfall	–	–
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	IWP CSR Trust	IWP CSR Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****43 Leases:**

The Company has lease contracts for its office spaces and others used in its operations. The Company also hold leasehold land having lease term of 40 years.

Company as a leasee**Impact on Balance sheet (Increase/Decrease)**

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Assets		
Right of use Assets (Refer Note No. 3.3)	322.40	378.72
Liabilities		
Lease liability	145.00	201.47

Impact on Statement of Profit and Loss (Decrease in Profit)

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Depreciation and Amortisation	56.32	56.33
Rental Expense	(78.23)	(78.23)
Finance Cost	21.95	27.26
Net Impact on Profit	0.04	5.36

Impact on Statement of Cash Flows

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Total Cash outflow for leases	56.47	55.02

Set out below are the carrying amounts of right-to-use assets recognised and the movement during the period:

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Initial recognition on adoption of Ind AS 116		
As on beginning of the year	378.72	435.06
Reclassified from PPE (leasehold land) to ROU asset on adoption of Ind AS 116	–	–
Addition during the year	–	–
Depreciation Expense	56.32	56.33
As at End of the year	322.40	378.72



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

43. Leases (Contd.)

Set out below are the carrying amounts of lease liabilities and the movement during the period: (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
As on beginning of the year	201.47	256.50
Addition during the year	–	–
Repayment during the year	(56.47)	(55.02)
As at End of the year	145.00	201.47

Maturity Analysis of Lease Liability

Contractual maturities of lease liability

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Within one year	45.17	56.45
After one year but not more than five years	99.83	145.02
More than five years	–	–
Total Lease liability	145.00	201.47

44. Employee Benefits

(a) Contribution to Defined Contribution Plans Recognised as Expense are as under (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Provident and Other Funds	117.24	109.11

(b) Defined Benefit Plan

Gratuity: The Company has a defined Gratuity Plan for its employees. 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.

The Scheme is funded with an insurance company in the form of qualifying insurance policy.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Disclosure for Defined Benefit Plans based on actuarial report

(₹ in lakhs)

Particulars	2023-2024		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Changes in Defined Benefit Obligation :				
Present Value of Defined Benefit Obligation at the Beginning of the Year	161.72	481.25	163.67	466.93
Current Service Cost	49.48	27.10	34.30	30.81
Interest Cost	10.72	33.09	10.00	29.78
Components of actuarial gain/losses on obligations:				
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	(0.15)	(5.18)	-	-
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	11.58	57.19	(3.61)	(19.53)
Actuarial (Gains)/Losses Arising from Changes in Experience Adjustments	9.66	19.75	8.24	3.50
Past service cost	-	-	-	-
Benefits Paid	(35.67)	(19.01)	(50.90)	(30.25)
Present Value of Defined Benefit Obligation at the end of the Year	207.34	594.19	161.72	481.25
Change in Plan Assets :				
Fair Value of Plan Assets at the Beginning of the Year	127.31	515.82	115.24	513.50
Interest Income	7.62	36.68	6.80	34.08
Re Measurements Gains/(Losses)	-	-	-	-
Return on Plan Assets, (Excluding Amount Included in net Interest Expense)	0.88	2.19	2.84	(1.42)
Contribution by Employers	0.08	-	7.47	-
Benefits Paid	(2.21)	(19.01)	(5.04)	(30.34)
Fair Value of Plan Assets at the End of the Year	133.67	535.68	127.31	515.82
Net defined benefit liability/(assets)	73.67	58.51	34.41	(34.57)



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Particulars	2023-2024		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Service cost:				
Current service cost	49.48	27.10	34.30	30.81
Past service cost and loss/(gain) on curtailments and settlement	-	-	-	-
Net interest cost	3.10	(3.58)	3.20	(4.30)
Net Value of remeasurements on the obligation and plan assets	20.21	1.79	-	-
Expenses Recognized in the Statement of Profit and Loss	72.79	23.51	39.30	26.51
Expenses Recognised in other Comprehensive Income				
Return on Plan Assets, (Excluding Amount Included in net Interest Expense)	(0.88)	(2.19)	(2.84)	(1.42)
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	(0.15)	(5.18)	-	-
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	11.58	57.19	(3.61)	(19.53)
Actuarial (Gains)/Losses Arising from Changes in Experience Adjustments on Plan Liabilities	9.66	19.75	8.24	3.50
Total Actuarial (Gains)/Losses Recognized in other Comprehensive Income	20.21	69.56	1.79	(17.45)
The Major Categories of Plan Assets as a % of Total Plan				
Qualifying Insurance Policy	100%		100%	
The Principal Actuarial Assumption Used :				
Discount Rate	7.2%		7.5%	
Salary Growth Rate	6%		5%	
Withdrawal Rate	3% at younger ages reducing to 1% at older ages		5% at younger ages reducing to 1% at older ages	

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets is based on market expectation, at the beginning of the period, which is used for calculating returns over the entire life of the related obligation. The Gratuity Scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India

Sensitivity Analysis for Significant Assumptions as on 31st March, 2024 are as Follows : (₹ in lakhs)

Particulars	2023-2024		2023-2024	
	Leave	Gratuity	Leave	Gratuity
Assumptions	Discount Rate			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	202.62	569.75	212.32	620.39
Assumptions	Future Salary Increase			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	212.35	618.27	202.54	570.50
Assumptions	Withdrawal Rate			
Sensitivity Level	W.R. * 110%		W.R. * 90%	
Impact on Defined Benefit Plan (INR)	207.29	595.19	207.39	593.16

Sensitivity Analysis for Significant Assumptions as on 31st March, 2023 are as Follows : (₹ in lakhs)

Particulars	2022-2023		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Assumptions	Discount Rate			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	358.28	463.00	165.34	500.78
Assumptions	Future Salary Increase			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	165.40	500.67	158.18	462.92
Assumptions	Withdrawal Rate			
Sensitivity Level	W.R. * 110%		W.R. * 90%	
Impact on Defined Benefit Plan (INR)	161.77	483.07	161.68	479.39

The Weighted Average Duration of the Defined Benefit Obligation as at 31st March 2024 is 58 years



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

45. Fair Value

i) Financial Instruments with category:

Particulars	Carrying Value		Fair Value	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial Assets				
Trade receivables - at amortised cost	4964.52	4408.36	4964.52	4408.36
Security Deposits - at amortised cost	64.33	63.31	64.33	63.31
Cash and Cash equivalents at amortised cost	159.29	401.44	159.29	401.44
Balance with Bank other than Cash and Cash Equivalent - amortised cost	29.48	29.35	29.48	29.35
Others	2.58	20.86	2.58	20.86
Loans - at amortised cost	26.30	23.79	26.30	23.79
Total	5,246.50	4,947.11	5,246.50	4,947.11
Financial Liabilities				
Loans from Bank and others-at amortised cost	7,628.87	7,717.14	7,628.87	7,717.14
Security Deposits - at amortised cost	3.00	4.25	3.00	4.25
Payable to Employees	139.04	158.31	139.04	158.31
Unclaimed Dividend	27.59	27.73	27.59	27.73
Trade Payables	1,398.59	1,479.83	1,398.59	1,479.83
Others	165.66	221.37	165.66	221.37
Total	9,362.75	9,608.63	9,362.75	9,608.63

b) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Forward Contracts, which have been fair valued using Level 1 & Level 2 Hierarchy respectively

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

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

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

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy	As at March 31, 2024	As at March 31, 2023
Financial Assets	—	—	—
Investment (Current)	—	—	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****46. Financial Risk Management Objectives and Policies**

The Company's financial liabilities comprise loans, Trade and other payables. The main purpose of these financial liabilities is to finance the Company's operation. The Company's principal financial assets include Investments, loans, Trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company regularly assess these risks, monitor, evaluate and deploy mitigation measures to manage the risks within risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial assets 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 loans and borrowing, investments, trade receivables etc.

i. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with Floating rate of interest.

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

(₹ in lakhs)

Particulars	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Pre tax Equity
31.03.2024	+50	(35.73)	(35.73)
	-50	35.73	35.73
31.03.2023	+50	(21.19)	(21.19)
	-50	21.19	21.19

The assumed movement in basis points for interest rate sensitivity is based on the currently observable market environment.

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are hedged by the Company.

b. Credit Risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers and Outstanding receivables are regularly monitored.

c. Liquidity Risk

Liquidity Risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank loans, Credit purchases etc.

The table below provides undiscounted cash flows towards Financial Liability into relevant maturity based on the remaining period at the balance sheet date to the contract maturity date.

As at 31st March' 2024

(₹ in lakhs)

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans (including Current maturities)	6,640.18	608.43	380.26	–	7,628.87
Trade Payables	–	1,362.82	35.77	–	1,398.59
Total	6,640	1,971.25	416.03	–	9,027.46

As at 31st March' 2023

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans (including Current maturities)	6,440.46	588.44	688.24	–	7,717.14
Trade Payables	–	1,455.16	24.67	–	1,479.83
Total	6,440.46	2,043.60	712.91	–	9,196.97

47 Capital Management

For the purpose of the Company's Capital Management, Capital includes issued equity capital, shares premium and all other Equity Reserves attributable to the Equity holders of the Parent. The Primary objective of the Company's capital management is to maximise the Shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

Particulars	31st March, 2024	31st March, 2023
Borrowings	7,628.87	7,717.14
Trade Payables	1,398.59	1,479.83
Other financial liabilities	335.29	411.66
Less : Cash and cash equivalent including bank balance	188.77	430.79
Net Debt	9,173.98	9,177.84
Equity	35,583.43	35,423.60
Total Capital	35,583.43	35,423.60
Gearing Ratio	25.78%	25.91%

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

48. Trade Payable Ageing Schedule

As at 31st March' 2024

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Year	1-2 Years	2 - 3 Years	More Than 3 Years	
(i) MSME	–	–	–	–	–
(ii) Others	1,362.82	0.74	19.24	15.80	1,398.59
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total Trade Payables	1,362.82	0.74	19.24	15.80	1,398.59

As at 31st March' 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Year	1-2 Years	2 - 3 Years	More Than 3 Years	
(i) MSME	–	–	–	–	–
(ii) Others	1,455.16	14.33	8.87	1.47	1,479.83
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total Trade Payables	1,455.16	14.33	8.87	1.47	1,479.83

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

49. Trade Receivables Ageing Schedule

As at 31st March' 2024

Particulars	Outstanding for following periods from transaction date of payments					Total
	< 6 Months	6 Months - 1 year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - considered goods	4,899.65	6.86	56.79	3.58	1.76	4,968.64
(ii) Undisputed Trade Receivables - Which have Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total						4,968.64
Less : Allowance for credit Impairment						4.12
Total						4,964.52

As at 31st March' 2023

Particulars	Outstanding for following periods from transaction date of payments					Total
	< 6 Months	6 Months - 1 year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - considered goods	4,320.91	58.20	10.46	20.46	8.49	4,418.52
(ii) Undisputed Trade Receivables - Which have Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total						4,418.52
Less : Allowance for credit Impairment						10.16
Total						4,408.36

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)****50 Other Regulatory Compliance
Financial Ratios**

Ratio	Numerator	Denominator	2023-24	2022-23	% Variance	Remarks for variance more than 25%
Current Ratio (In times)	Current Assets	Current Liabilities	1.45	1.43	0.79	NA
Debt Equity Ratio (In Times)	Total Debt	Shareholders Equity	0.29	0.29	0.56	NA
Debt Service Coverage Ratio (In Times)	Earning before Interest and Tax	Debt Service	1.24	1.15	7.91	NA
Return on Equity Ratio (%)	Net Profit After Tax	Equity	0.73	0.39	86.95	Movement in the ratio is due to increase in EBIT as compared to last year
Inventory Turnover Ratio (In Times)	Cost of Goods Sold	Average Inventory	1.80	1.90	-5.58	NA
Trade Receivable Turnover Ratio (In Times)	Sales	Average Account Receivables	4.09	3.80	7.64	NA
Trade Payable Turnover Ratio (In Times)	Purchases/ Services Utilised	Average Account Payables	16.87	13.13	28.45	Due to reduction in Trade Payable
Net Capital Turnover Ratio (In Times)	Net Sales	Working Capital	4.49	4.49	0.01	NA
Net Profit Ratio (%)	Net Profit After Tax	Net Sales	1.35	0.76	78.22	Movement in the ratio is due to increase in EBIT as compared to last year
Return on capital employed (%)	Earnings beafore Interest and Tax	Capital Employed	2.30	1.69	35.98	Movement in the ratio is due to increase in EBIT as compared to last year
Return On Investment (%)	Income Generated from Investment	Average Investment	-	-	-	NA

51 The main Products of the Company i.e. Katha & Cutch along with its Raw Materials like Khair Wood, Katha Lugdi, Cutch Lugdi, are covered under U. P. Forest Act and a transit fee has to be paid on movement of all these items. Uttar Pradesh Government by its various amendments changed the transit fee from Rs. 38/- Per M.T to Rs. 200/- Per Cubic Meter and subsequently 5% advolrum.

Honorable Supreme Court in its interim order dated 26/04/2016, directed the Uttar Pradesh Government to collect transit fees @ 5% advolrum subject to final outcome of the case and also directed U. P. Government to keep the said amount in a separate account so that it can be paid back to the effected parties with interest @ 9% Per Annum if final order is in favour of the parties.

Subsequently Honorable Supreme Court by its final order dated 15/09/2017 directed Uttar Pradesh Government to collect transit fees @ Rs 38/- Per M.T only and refund the excess amount collected from parties along with interest @ 9% per annum.

In view of the above, an excess amount of Rs. 1000.29 lakhs paid as transit fees to the Forest Department of Uttar Pradesh is refundable with interest @ 9% per annum. The company has made necessary applications which is under process and will be accounted for as and when the company will get the refund.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

52. Contingent Liabilities and Commitments

- a) Demand for sales tax and GST amounting to Rs. 165.05 lacs (Rs. 135.40 lacs) which are not acknowledged as debts. Against the same company has paid under protest a total of Rs. 30.28 lacs (Rs. 15.29 lacs) included in loans and Advances and TDR of Rs. 2.64 lacs (Rs. 2.64 lacs) are deposited with the sales tax authorities.
- b) Mandi Samitee demand on Katha amounting to Rs. 2.38 lacs (Rs. 2.38 Lacs) has been disputed by the Company and stayed by Honorable High Court, Allahabad.
- c) During the FY 2017 - 18, Commissioner of Customs, Nhava Sheva had passed an Ex-Partie Judgement and raised a demand of Rs. 341.78 Lacs and imposed a penalty of Rs 341.78 Lacs against a Show Cause Notice issued by the Additional Director General, Directorate of Revenue Intelligence, Kolkata in the year 2010. The said order passed by the Commissioner being contrary to law and against the principle of natural justice, based on assumption and presumptions without any evidence on record and was not acceptable to the Company, hence an appeal was preferred by the Company before CESTAT Nhava Sheva by producing evidence of pre-deposit of Rs.40.00 lacs being 11.7% of duty demanded against the requirement of 7.5% of the duty demanded while filing the appeal. Simultaneously, (2) two of the Whole Time Directors were also made liable in the above said order on whom a penalty of Rs.15.00 lacs and Rs.10.00 lacs respectively imposed. An appeal was also preferred on their behalf and a sum of Rs.1.90 lacs was deposited by the Company and the amount is appearing in Loans & Advances account. Consequently, as per the legal advice obtained, no provision is made at this stage. Final adjustment if any will be done as and when the matter is crystalized.
- d) During the year, the Company received an order from the Income Tax Department under section 144B of the Income Tax Act, for the Assessment Year 2018 - 19 for a tax demand of Rs. 17,17,49,287/-. The Company believes that the said demand is not maintainable and has filed an appeal against the said order.

53. Disclosure of Transactions with Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

54. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Discrepancy in utilisation of borrowings
 - iv. Current maturity of long term borrowings



NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

55 The Company has filed quarterly returns of statements with the bank for sanctioned working facilities, which are in agreement with books of accounts except the followings :-

(Rs. In Lakhs)

Name of the Banks	Quarter Ended	Particulars of Security Provided	Amount as per Books of Accounts	Amount as per Quarterly Statements	Differences	Reasons for material differences
Union Bank of India, DBS Bank India Limited & Yes Bank Ltd	Jun-23	Inventories	6,258.76	6,280.04	-21.28	Variance in inventories are because of final valuation of FG and final assessment & valuation of In-process materials at the time of finalisation.
	Sep-23		6,000.27	5,944.80	55.47	
	Dec-23		6,492.64	6,468.57	24.07	
	Mar-24		6,730.01	6,701.52	28.49	
	Jun-23	Trade Receivables	5,709.75	5,709.75	-	Differences in debtors are because of adjustment of scheme discount allowed to parties as well as written off some debtors amount at the time of finalisation.
	Sep-23		5,749.56	5,749.55	0.01	
	Dec-23		5,265.33	5,265.35	-0.02	
	Mar-24		4,968.64	4,999.70	-31.06	
Union Bank of India, DBS Bank India Limited, Citi Bank* & Yes Bank Ltd*	Jun-22	Inventories	5,654.82	5,506.87	147.95	Variance in inventories are because of final valuation of FG and final assessment & valuation of In-process materials at the time of finalisation.
	Sep-22		5,681.23	5,401.40	279.83	
	Dec-22		5,450.79	5,128.31	322.48	
	Mar-23		6,192.13	6,040.42	151.71	
	Jun-22	Trade Receivables	5,254.67	5,255.74	-1.07	Differences in debtors are because of adjustment of scheme discount allowed to parties as well as written off some debtors amount at the time of finalisation.
	Sep-22		4,821.88	4,821.88	-	
	Dec-22		4,526.15	4,518.62	7.53	
	Mar-23		4,418.52	4,420.64	-2.12	

56 For better presentation previous year's figures have been regrouped / re-arranged wherever necessary.

In terms of our Report attached
For S K Agrawal and Co Chartered Accountants LLP
 Chartered Accountants
 Firm Registration Number - 306033E/E300272
Jugal Kishor Choudhury
 Partner
 Membership No.: 009367

Place: Kolkata
Date: May 30, 2024

**For and on behalf of Board of Directors of
 The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta
 Chairman & MD
 DIN: 00702306

Bharat Mohta
 WTD & CEO
 DIN: 00392090

Raj Kumar Agarwal
 Chief Financial Officer

Anup Gupta
 Company Secretary
 M. No. - A36061



Consolidated Financial Statement



INDEPENDENT AUDITOR’S REPORT

**To the Members of
The Indian Wood Products Co Ltd
Report on the Audit of the Consolidated Financial
Statements**

Opinion

We have audited the accompanying Consolidated Financial Statements of The Indian Wood Products Co Ltd (the “Parent”), which includes its share of profit in its Joint Venture, which comprise the Consolidated balance sheet as at 31st March 2024, and the consolidated statement of Profit and Loss, Consolidated Statement of Changes in Equity, Consolidated Statement of cash flows for the year then ended, and notes to the Consolidated 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, and based on the consideration of reports of the other auditor on separate financial statements of joint venture referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) rules 2015, as amended (‘Ind AS’) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their Consolidated profit, their Consolidated

total comprehensive income, their consolidated changes in equity and their 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters (‘KAM’) 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.

The Key Audit Matters	Auditors’ response
<p>Revenue from Sale of Goods</p> <p>The Parent Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Parent Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(f) and as reflected in note 29 to the Ind AS Consolidated financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts.</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<p>Our audit procedure includes the following:</p> <p>Considered the adequacy of the holding company’s revenue recognition policy and its compliance in terms of Ind AS 115 “Revenue from contracts with customers”</p> <p>Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition.</p> <p>Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115.</p>



	<p>We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management.</p> <p>Assessed the relevant disclosure made in the Consolidated financial statement.</p>
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We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in Parent Company's Annual report but does not include the 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 in the audit, or otherwise appears to be materially misstated.

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

Responsibility of Management and Those Charged with Governance for Consolidated Financial Statements

The Parent'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, consolidated changes in equity and consolidated cash flows of the Group including

its Joint Venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Joint Venture 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its Joint Venture are responsible for assessing the ability of the Group and of its Joint Venture 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 Group 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 and of its Joint venture are responsible for overseeing the financial reporting process of the Group of its Joint venture.



Auditor's Responsibilities for the Audit of the Consolidated 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 judgement 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Group 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 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 and its Joint Venture 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 or business activities within the Group and its Joint Venture 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

We did not audit the financial statements of a foreign Joint Venture, whose financial statements reflect total assets of Rs. 4748.50 lakhs as at 31st March 2024 and total revenues of Rs. 10,413.88 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated annual financial results include the Company's share of net profit of Rs. 106.81 lakhs and Company's share of other comprehensive loss of Rs. 19.21 lakhs and company's share of total comprehensive income of Rs. 87.60 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the joint venture referred to in the Other Matters section 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 auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Parent, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.



(f) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company and the operating effectiveness of such controls and since the Parent Company has only one Joint Venture that has been incorporated outside India, no further reporting needs to be done and the report on internal financial controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Act of the standalone financial statements fulfils the requirement.

(g) With respect to the matter to be included in the Auditor's Report under section 197(16)

In our opinion and according to the information and explanation given to us, the remuneration paid by the Parent Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Parent Company and its Joint Venture has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note No.- 54

ii. The Parent Company and its Joint Venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Parent Company.

iv. a) The management of parent company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the

accounts, 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 Parent company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management of parent company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the parent company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 16 to the Consolidated financial statement, the Board of Directors of the Parent Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.



vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail from July 2023 and it is capable of creating an edit log for each change made in books from July 2023. The same has operated throughout the year for all relevant transactions recorded in the respective software after June 2023.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered.

For **S K Agrawal and Co**
Chartered Accountants LLP
Chartered Accountants
FRN – 306033E/E300272
Jugal Kishore Choudhury
Partner
Membership No. 009367
UDIN- 24009367BKDGOC5887

Place: Kolkata

Dated: 30th May 2024

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 of even date)

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

(xxi) There are no qualifications or adverse remarks in Companies (Auditors report) Order, 2020 of the Parent Company. Joint Venture Company included in the Consolidated financial statement is not incorporated in India.

Place: Kolkata

Dated: 30th May 2024

For **S K Agrawal and Co**
Chartered Accountants LLP
Chartered Accountants
FRN – 306033E/E300272
Jugal Kishore Choudhury
Partner
Membership No. 009367
UDIN- 24009367BKDGOC5887



Consolidated Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3.1	37,914.62	38,129.08
Capital Work-in-Progress	3.2	29.51	9.83
Right to use Assets	3.3	322.40	378.72
Financial Assets			
- Investments	4	873.95	786.35
- Others	5	64.33	63.31
Other Non-Current Assets	6	273.81	276.70
		<u>39,478.62</u>	<u>39,643.99</u>
Current assets			
Inventories	7	6,730.01	6,192.13
Financial Assets			
- Trade Receivables	8	4,964.52	4,408.36
- Cash and Cash Equivalents	9	159.29	401.44
- Bank Balances other than above	10	29.48	29.35
- Loans	11	26.30	23.79
- Other Financial Assets	12	2.58	20.86
Current Tax Assets (Net)	13	37.84	15.01
Other Current Assets	14	1,893.34	2,291.66
		<u>13,843.36</u>	<u>13,382.60</u>
		<u>53,321.98</u>	<u>53,026.59</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity Share Capital	15	1,279.75	1,279.75
Other Equity	16	34,245.77	33,998.34
		<u>35,525.52</u>	<u>35,278.09</u>
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	17	380.26	688.24
- Lease Liabilities	18	99.84	145.00
- Others	19	3.00	4.25
Deferred Tax Liabilities (Net)	20	7,353.52	7,410.76
Provisions	21	57.78	24.05
Other Non-Current Liabilities	22	330.00	150.00
		<u>8,224.40</u>	<u>8,422.30</u>
Current Liabilities			
Financial Liabilities			
- Borrowings	23	7,248.61	7,028.90
- Lease Liabilities	24	45.16	56.47
- Trade Payables	25	-	-
Total outstanding dues of micro enterprise and small enterprise		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,398.59	1,479.83
- Others	26	184.29	201.69
Provisions	27	82.11	32.14
Other Current Liabilities	28	613.30	527.17
		<u>9,572.06</u>	<u>9,326.20</u>
		<u>53,321.98</u>	<u>53,026.59</u>
TOTAL EQUITY AND LIABILITIES			

Material Accounting Policies

1 - 2

The accompanying notes 1 - 57 are an integral part of the Financial Statements.

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

Place: Kolkata

Date: May 30, 2024

For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.

Krishna Kumar Mohta

Chairman & MD

DIN: 00702306

Bharat Mohta

WTD & CEO

DIN: 00392090

Raj Kumar Agarwal

Chief Financial Officer

Anup Gupta

Company Secretary

M. No. - A36061



Statement of Consolidated Profit & Loss for the year ended 31st March 2024 (₹ in Lakhs)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue From Operations			
Revenue From Operations	29	19,173.62	18,207.79
Other Income	30	67.91	161.58
Total income		19,241.53	18,369.37
Expenses:			
Cost of material consumed	31	11,581.48	11,305.49
Purchase of stock in trade		73.36	125.19
Change in inventories of finished goods and work -in-progress	32	(48.62)	(156.15)
Employee benefits expense	33	2,103.82	1,999.61
Finance costs	34	842.49	678.98
Depreciation and amortisation expense	3.1	320.81	329.81
Other expenses	35	4,042.29	3,905.45
Total expense		18,915.63	18,188.38
Profit/(Loss) before share of consolidated Profit of Joint Venture		325.90	180.99
Share of Consolidated Profit of Joint Venture		106.81	45.62
Profit/(loss) before tax		432.71	226.61
Income Tax expense:			
Current tax	36	101.54	51.26
Deferred tax	36	(34.65)	(8.28)
Total Tax Expense		66.89	42.98
Profit/(loss) for the period		365.82	183.63
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit liability		(89.77)	12.81
Share of Other Comprehensive Income/(loss) through Joint Venture		(19.21)	(8.25)
Income tax expense relating to the above		22.59	(3.22)
Other Comprehensive Income/(loss) for the period		(86.39)	1.34
Total Comprehensive Income/(loss) for the period		279.43	184.97
Earnings per equity share (for continuing operation):	37		
- Basic		0.57	0.29
- Diluted		0.57	0.29

Material Accounting Policies

1 - 2

The accompanying notes 1 - 57 are an integral part of the Financial Statements.

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

**For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta
Chairman & MD
DIN: 00702306

Bharat Mohta
WTD & CEO
DIN: 00392090

Raj Kumar Agarwal
Chief Financial Officer

Anup Gupta
Company Secretary
M. No. - A36061

Place: Kolkata

Date: May 30, 2024



Consolidated Cash Flow Statement for the year ended 31st March 2024

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		432.71		226.61
Adjustment for				
Depreciation	320.81		329.81	
Finance Cost	842.49		678.98	
Interest Received	(0.20)		(0.28)	
Liabilities no longer required written back	(27.86)		(122.87)	
Provision under expected credit loss	0.56		4.56	
Unrealised Foreign Exchange Loss/(Gain)	(30.37)		1.02	
Loss / (Gain) on sale of Property, Plant & Equipment	6.38	1,111.81	5.20	896.42
Operating Profit/(Loss) before working capital changes		1,544.52		1,123.03
Adjustment for				
Trade & Other Receivables	(146.80)		(803.77)	
Inventories	(537.88)		(63.46)	
Trade & Other Payables	253.23	(431.45)	945.90	78.67
Cash generated from operations		1,113.07		1,201.70
Direct Tax Paid		(124.37)		(26.73)
Cash Flow before Exceptional Items		988.70		1,174.97
Exceptional Items		-		-
NET CASH FLOW FROM OPERATING ACTIVITIES		988.70		1,174.97
B CASH FLOW FROM INVESTING ACTIVITIES				
Investment in shares		(106.81)		(45.62)
Purchase of Fixed Assets		(125.53)		(280.59)
Sale of Fixed Assets		18.97		32.06
NET CASH USED IN INVESTING ACTIVITIES		(213.37)		(294.15)


Consolidated Cash Flow Statement for the year ended 31st March 2024 (Contd.) (₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	292.24	771.66
Repayment of Borrowings	(380.51)	(511.87)
Repayment of lease liabilities	(56.47)	(55.02)
Dividend paid	(32.13)	(32.05)
Interest paid (Net)	(840.48)	(674.60)
NET CASH USED IN FINANCING ACTIVITIES	(1,017.35)	(501.88)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(242.02)	378.94
CASH AND CASH EQUIVALENTS (Refer Note 9 & 10)		
AT THE BEGINNING OF THE YEAR	430.79	51.85
AT THE END OF THE YEAR	188.77	430.79

In terms of our Report attached

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number - 306033E/E300272

Jugal Kishor Choudhury

Partner

Membership No.: 009367

Place: Kolkata

Date: May 30, 2024

**For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta

Chairman & MD

DIN: 00702306

Bharat Mohta

WTD & CEO

DIN: 00392090

Raj Kumar Agarwal

Chief Financial Officer

Anup Gupta

Company Secretary

M. No. - A36061



Statement of Consolidated Changes in Equity as at 31st March 2024

1) Equity Share Capital

(a) Current Reporting Period

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Share Capital due to Prior Period Errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the Current Reporting Period
1,279.75	–	1,279.75	–	1,279.75

(b) Previous Reporting Period

Balance at the beginning of the Current Reporting Period	Changes in Share Capital due to Prior Period Errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the Current Reporting Period
1,279.75	–	1,279.75	–	1,279.75

(2) Other Equity

(a) Current Reporting Period

(₹ in Lakhs)

Particulars	Other Equity			Total
	Reserve & surplus		Other Comprehensive income	
	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance at the beginning of the Current Reporting Period	0.03	34,153.94	(155.64)	33,998.34
Changes in accounting policies or prior period errors	–	–	–	–
Restated balance at the beginning of the current reporting period	0.03	34,153.94	(155.64)	33,998.34
Total Comprehensive Income / (loss)	–	365.82	(86.39)	279.43
Dividend paid	–	(31.99)	–	(31.99)
Balance at the end of the Current Reporting Period	0.03	34,487.77	(242.03)	34,245.77



Statement of Consolidated Changes in Equity as at 31st March 2024 (Contd.)

(b) Previous Reporting Period

(₹ in Lakhs)

Particulars	Other Equity			Total
	Reserve & surplus		Other Comprehensive income	
	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance at the beginning of the Previous Reporting Period	0.03	34,002.31	(156.98)	33,845.37
Changes in accounting policies or prior period errors	–	–	–	–
Restated balance at the beginning of the previous reporting period	0.03	34,002.31	(156.98)	33,845.37
Total Comprehensive Income / (loss)	–	183.63	1.34	184.97
Dividend paid	–	(31.99)	–	(31.99)
Balance at the end of the Previous Reporting Period	0.03	34,153.94	(155.64)	33,998.34

Material Accounting Policies

The accompanying notes 1 - 57 are an integral part of the Financial Statements

In terms of our Report attached
 For **S K Agrawal and Co Chartered Accountants LLP**
 Chartered Accountants
 Firm Registration Number - 306033E/E300272
Jugal Kishor Choudhury
 Partner
 Membership No.: 009367

Place: Kolkata
 Date: May 30, 2024

For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.

Krishna Kumar Mohta **Bharat Mohta**
 Chairman & MD WTD & CEO
 DIN: 00702306 DIN: 00392090

Raj Kumar Agarwal **Anup Gupta**
 Chief Financial Officer Company Secretary
 M. No. - A36061



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Corporate Information

The Consolidated financial statements comprise financial statements of The Indian Wood Products Company Limited (“the Parent Company”) and its joint ventures (collectively referred to as “the Group”) for the year ended 31st March 2024. The Group is primarily engaged in the manufacturing of Katha, processed Gambier and trading of spices.

2. Material Accounting Policies

This note provides a list of the material accounting policies adopted in preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented unless otherwise stated.

The Consolidated Financial Statements were approved by Board of Directors on May 30, 2024.

a) Basis of Preparation:

I. Compliance with IND AS:

These Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules 2016. The Company adopted Ind AS from 1st April, 2017.

II. Historical cost convention:

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:

- i. Land which is revalued as on 1st April'16
- ii. Certain Financial Assets and Liabilities (including derivative instruments) and contingent consideration that are measured at fair value; and
- iii. Defined Benefit Plan Assets measured at fair value;

b) Principal of Consolidation and Equity Accounting

Joint Venture

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognized at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in consolidated profit and loss, and the group's share of other comprehensive income of the investee in consolidated other comprehensive income.

c) Property, Plant and Equipment

Freehold land is carried at the revalued figure as per the Valuation done by the management based on circle rate of 1st April'16. All the other items of Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any, cost of acquisition includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the Company and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. All other repairs & maintenance are charged

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Depreciation and amortization:

Depreciation is calculated using the straight-line method to allocate cost of Property, Plant and Equipment, net of residual values, over their estimated useful lives as follows:

Asset Class	Useful Life (In years)
Building	3 to 60
Plant & Machinery*	10 to 30
Electric Installations*	10 to 30
Laboratory Apparatus	10
Motor Vehicles*	8 to 10
Computers*	3 to 8
Office Equipment's*	3 to 15
Furniture and Fixtures	10

*Based on management evaluation, the useful lives as given above best represent the period over which the Management expects to use these Assets. Hence, the useful lives of for these Assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions / deletions during the year is provided from the date on which the asset is capitalized up to the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by

comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

The Company reviews the residual values, useful lives and methods of depreciation of plant, property and equipment at each financial year end and adjusts prospectively, if appropriate.

d) Operating Cycle

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

e) Financial assets:

i. Classification:

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

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

ii. Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii. Impairment of financial assets:

The Company assesses if there is any significant increase



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

in credit risk pertaining to the assets and accordingly creates necessary provisions through Expected Credit Loss Method, wherever required.

iv. **Derecognition of financial assets:**

A financial asset is derecognised only when

- the Company has transferred the rights to receive the cash flows from the financial asset or
- the Company retains the contractual rights to receive the cash flows of the financial assets, but transfers substantially all the risks and rewards of the Assets.

f) **Foreign Currency Transactions and Translation:**

I. **Functional and presentation currencies:**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in INR which is the functional and presentation currency for the company.

II. **Transactions & Balances:**

Foreign Currency Transactions are translated into the functional currency at the Exchange Rates on the date of transaction. Foreign exchange Gains and Losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the closing rates are generally recognized in the Statement Profit and Loss.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign Joint Venture are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or Fair Values determined.

g) **Revenue Recognition**

With effect from 1 April 2018, the Company has adopted

IND AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under IND AS 115, revenue is recognised on satisfaction of performance obligation at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company has elected to apply the Cumulative catch up method in adopting IND AS 115. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue is recognized on satisfaction of performance obligation at an amount that reflects the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount. Interest



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Income are included under the head “Other Income” in the Statement of Profit and Loss.

Disaggregation of revenue:

Note 29 presents disaggregated revenues from contracts with customers for the year ended March 31, 2023 by performance obligation. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

h) Inventories:

- a. Raw Material, Stores and Spares are valued at lower of cost and net realizable value.
- b. Work-in-progress, Finished Goods are valued at lower of cost and net realizable value.
- c. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost is assigned on the basis of weighted average method.

i) Trade Receivables:

Trade receivables are initially recognized at transaction price, and subsequently measured at amortized cost by providing loss allowance at an amount equal to lifetime expected credit losses.

The company recognizes loss allowance on trade receivable, which does not contain a significant financing component, using “simplified approach” at an amount equal to life time Expected Credit Loss (ECL)

considering the risk or probability that a credit loss may occur, even if the possibility of a credit loss occurring is very low, time value of money based on reasonable and supportable information that are available.

Loss allowances on trade receivable are recognized in the Statement of Profit and Loss within other expenses.

j) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

k) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost Effective Interest Method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings.

l) Income Taxes:

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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

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

m) Borrowing Cost:

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

Other borrowing costs are expensed out in the Statement of Profit & Loss Account in the period in which they are incurred.

n) Employee Benefits:

i. Short term Employee benefit Expenses:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the

reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Defined Contribution Plan - Provident fund:

Contribution to Provident fund is made at a predetermined rate and charged to revenue on accrual basis.

iii. Defined Benefit Plan - Gratuity:

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income and the Statement of Profit and Loss in a subsequent period.

The company contributes to a Group Insurance - cum - Gratuity Scheme with Life Insurance Corporation of India towards meeting its gratuity obligation.

iv. Bonus and Production Linked Incentive:

The Company recognizes a liability and expenses for bonuses as per Bonus Act'1949. The Company also recognizes a liability and expenses for Incentive Bonuses as per agreement entered into with the worker union. The Company recognizes a provision where there is a past practice that has created constructive obligations and a reliable estimate of such obligations.

v. Leave encashment / Compensated absences:

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided at each Balance Sheet date on the basis of an actuarial valuation using the Projected Unit Credit method. Actuarial gains



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The Company contributes to a New Group Leave Encashment Plan with Life Insurance Corporation of India towards meeting its leave obligation.

Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

o) Provisions and Contingent Liabilities and Assets:

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

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

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

p) Cash and Cash Equivalents:

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

q) Impairment of Assets:

Assets are assessed by the Company at each reporting period whether there is an indication of impairment that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use.

r) Earnings Per Share:

Basic earnings per share: A basic earnings per share is calculated by dividing:

- i. the profit attributable to owners of the Company
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year .

Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

the conversion of all dilutive potential equity shares.

s) Segment Reporting:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Segment Accounting Policies:

The Company prepares its segment information in conformity with the accounting policies that are adopted for preparing and presenting the financial statements of the Company as a whole.

t) Rounding off:

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

u) Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of the financial statements in conformity

with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. These estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions the Company may take in future.

Information about critical estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are:

- i. Impairment of financial assets (including trade receivable)
- ii. Estimation of defined benefit
- iii. Estimation of current tax expenses and payable
- iv. Estimation of provisions and contingencies

v) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate

implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Land & building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 3.1 – Property, Plant and Equipment (₹ in Lakhs)

Particulars	Freehold Land	Building	Computer Equipment	Effluent Treatment Plant	Electrical Installations	Furniture & Fixtures	Laboratory Apparatus	Motor Car & Vehicle	Office Equipments	Plant & Machinery	Refrigeration & Cooling System	Trolleys & Trays	Tube Well	Weighing Scale	Total
Gross Block															
At April 1, 2022	35,737.74	684.97	19.31	136.23	227.99	88.63	22.08	392.64	30.73	1,167.34	1,000.02	221.36	3.81	13.38	39,746.26
Additions	–	3.00	2.71	1.56	0.69	2.37	1.28	35.55	1.55	26.22	74.14	2.44	0.35	0.52	152.38
Disposals / deductions	–	–	–	–	(76.20)	–	–	(91.94)	–	(19.81)	–	–	–	–	(187.95)
At March 31, 2023	35,737.74	687.97	22.02	137.79	152.48	91.00	23.36	336.25	32.28	1,173.75	1,074.16	223.80	4.16	13.90	39,710.69
Additions	–	14.84	0.82	5.31	0.21	5.77	4.29	16.94	1.58	18.72	9.71	0.47	1.17	0.08	79.89
Disposals/Deduction	–	–	(0.46)	–	–	–	–	(43.64)	–	(20.38)	–	–	–	–	(64.47)
Written off	–	–	(4.28)	–	–	(0.32)	–	–	(1.19)	(4.46)	–	(1.09)	–	(0.60)	(11.95)
At March 31, 2024	35,737.74	702.81	18.10	143.10	152.69	96.44	27.65	309.55	32.67	1,167.63	1,083.87	223.17	5.33	13.37	39,714.16
Accumulated Depreciation															
At April 1, 2022	–	103.38	11.20	17.71	122.33	28.90	2.45	197.22	23.77	453.55	442.30	61.67	(0.44)	0.88	1,464.93
Charge for the year	–	30.76	3.18	7.35	17.02	9.76	2.01	45.42	3.01	68.53	70.97	13.93	0.36	1.18	273.48
Disposals	–	–	–	–	(71.12)	–	(0.02)	(75.51)	–	(5.11)	–	–	–	–	(151.76)
Written Off	–	–	–	–	–	–	–	(5.06)	–	–	–	–	–	–	(5.06)
At March 31, 2023	–	134.14	14.38	25.06	68.23	38.66	4.44	162.07	26.78	516.97	513.27	75.60	(0.08)	2.06	1,581.59
Charge for the year	–	30.79	2.56	7.48	14.81	9.66	2.09	42.85	1.72	65.53	71.47	13.92	0.41	1.20	264.49
Disposals / deductions	–	–	(0.38)	–	–	–	–	(35.27)	–	(4.45)	–	–	–	–	(40.09)
Written Off	–	–	(3.77)	–	–	(0.14)	–	–	(1.06)	(1.11)	–	(0.12)	–	(0.26)	(6.47)
At March 31, 2024	–	164.93	12.79	32.54	83.04	48.17	6.53	169.65	27.44	576.94	584.74	89.39	0.33	3.00	1,799.52
Net Block															
At March 31, 2023	35,737.74	553.83	7.65	112.74	84.24	52.34	18.92	174.18	5.50	656.78	560.89	148.21	4.24	11.84	38,129.08
At March 31, 2024	35,737.74	537.88	5.31	110.56	69.65	48.29	21.10	139.90	5.18	590.71	499.11	133.80	5.00	10.39	37,914.62

3.2 Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Opening as on 01.04.2022	Additions	Capitalised	Closing as at 31.03.2023	Additions	Capitalised/ Transferred	Closing as at 31.03.2024
Machine under erection	26.25	9.83	26.25	9.83	19.68	0.00	29.51





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

As at 31st March' 2024

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1–2 years	2 – 3 years	More than 3 years	
Projects in Progress	19.68	9.83	–	–	29.51
Projects temporarily suspended	–	–	–	–	–
Total	19.68	9.83	–	–	29.51

As at 31st March' 2023

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1–2 years	2 – 3 years	More than 3 years	
Projects in Progress	9.83	–	–	–	9.83
Projects temporarily suspended	–	–	–	–	–
Total	9.83	–	–	–	9.83

3.3 Right of Use Asset

(₹ in Lakhs)

Particulars	Leasehold Land	Building
As at April 1, 2022	261.49	514.79
Recognition/ Reclassification on transition to Ind AS-116	–	–
Additions	–	–
Disposals / deductions	–	–
At March 31, 2023	261.49	514.79
Additions	–	–
Disposals / deductions	–	–
At March 31, 2024	261.49	514.79
Accumulated Depreciation		
As at April 1, 2022	20.16	321.07
Charge for the year	6.45	49.88
Disposals	–	–
At March 31, 2023	26.61	370.95
Charge for the year	6.45	49.87
Disposals	–	–
At March 31, 2024	33.06	420.82
Net Block		
At March 31, 2023	234.88	143.84
At March 31, 2024	228.43	93.97

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 4 - Non Current - Financial Assets - Investments**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in Equity Shares, Unquoted		
Investment in Joint Venture (at Cost unless stated otherwise)		
M/s. Agro and Spice Trading Pte Ltd, Singapore* (Refer Note No. 51) 14,00,050 Equity Shares of USD 1	873.95	786.35
Total Aggregate amount of Unquoted Investment	873.95	786.35

*Note: M/s Agro and Spice Trading Pte Ltd, Singapore is 50% Joint Venture of the Company as at Balance Sheet Date.

Note 5 - Non Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured and considered good		
Security Deposits	59.62	58.72
Others		
Fixed Deposit Against Sales Tax (Refer Note 54)	2.64	2.64
Fixed Depoist Against Others Compliances	2.07	1.95
Total	64.33	63.31

Note 6 - Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances	174.14	189.96
Advance other than capital advance		
Prepaid Expenses	3.41	5.47
Tax payment under Protest (Refer Note 54)	96.26	81.27
Total	273.81	276.70



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 7 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(At lower of cost and net realisable value)		
Raw Materials*	2,125.78	1,702.87
Work -in- progress	3,282.09	2,853.58
Finished Goods	977.36	1,357.25
Stores and Spares	331.38	260.69
Consumables	11.66	16.39
Tools and Implements	1.74	1.35
Total	6,730.01	6,192.13
*Raw Material includes goods in transit	293.32	383.13

Note 8 - Current Financial Assets - Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good (Refer Note 49)		
Due from Others	4,968.64	4,418.52
Less: Provision for expected credit loss	4.12	10.16
Total	4,964.52	4,408.36

Note 9 - Current Financial Assets - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with banks		
In Current Account	150.90	383.91
Cheques in Hand	—	7.28
Cash on hand	8.39	10.25
Total	159.29	401.44

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 10 - Current Financial Assets - Bank Balances other than Cash and Cash Equivalents** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with banks		
In Restricted Bank Account (Unclaimed Dividend)	27.59	27.74
In Deposit Account with Banks and Financial Institutions		
Against Margin Money	1.89	1.61
Total	29.48	29.35

Note 11 - Current Financial Assets - Loans (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered goods		
Loan to employees	26.30	23.79
Total	26.30	23.79

Note 12 - Other Current Financial Assets (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Others*	–	20.86
Insurance Receivable	2.58	–
Total	2.58	20.86

* Others includes charges receivables from Bank

Note 13 - Current Tax Assests (Net) (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Tax (Net of provision)	37.84	15.01
Total	37.84	15.01



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 14 - Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered good		
Advance other than capital advance		
Advance to Suppliers	1,217.10	1,717.34
Unsecured, Considered Significant Increase in credit risk		
Advance to Suppliers	66.00	–
Less:- Provision for expected credit loss	6.60	–
	<u>59.40</u>	<u>–</u>
Other Advances	0.81	11.46
Gratuity Fund	–	34.56
Prepaid Charges	52.28	43.86
Balances with Government Authorities	563.75	484.44
Total	<u>1,893.34</u>	<u>2,291.66</u>

Note 15 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised		
Equity Shares 7,50,00,000 of Rs.2/- each	1,500.00	1,500.00
Issued, subscribed and fully paid up		
Equity Shares 6,39,72,720 of Rs.2/- each	1,279.45	1,279.45
Add: 5,682 Equity Shares Forfeited (amount originally paid up)	0.30	0.30
Total	<u>1,279.75</u>	<u>1,279.75</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****(a) Reconciliation of Equity Shares Outstanding**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	6,39,72,720	1,279.45	6,39,72,720	1,279.45
Change during the year	-	-	-	-
Shares outstanding at the end of the year	6,39,72,720	1,279.45	6,39,72,720	1,279.45

(b) Terms and Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Security Company Limited	1,23,25,442	19.27	1,23,25,442	19.27
Savita Mohta	91,60,200	14.32	91,60,200	14.32
Bharat Mohta	76,37,530	11.94	76,37,530	11.94
Avanti Mohta	75,26,160	11.76	75,26,160	11.76
Bharat Mohta HUF	45,50,000	7.11	45,50,000	7.11

(d) Shares reserved for issue under options

As at 31st March 2024 the Company does not have any outstanding options.

(e) Information regarding issue of shares for the period of five years immediately preceding the date at which the Balance Sheet is prepared:

- The Company has not issued any shares without payment being received in cash
- The Company has not undertaken any buy-back of shares.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(f) Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoters Name	No. of shares	% of total Shares	
Krishna Kumar Mohta	19,79,802	3.09	-
Krishna Kumar Mohta (HUF)	2,80,000	0.44	-
Bharat Mohta	76,37,530	11.94	-
Bharat Mohta (HUF)	45,50,000	7.11	-
Savita Mohta	91,60,200	14.32	-
Avanti Mohta	75,26,160	11.76	-
Security Company Limited	1,23,25,442	19.27	-
Indian Glass & Electricals (P) Ltd	12,00,000	1.88	-
Arvind Engineering Works Ltd	6,08,400	0.95	-
Acma Industrial projects (P) Ltd	2,30,124	0.36	-

Note 16 - Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve	0.03	0.03
Retained Earnings (Refer Note (i))	34,487.78	34,153.96
Closing Balance	34,487.81	34,153.99
Other Comprehensive Income Reserve - Opening	(155.64)	(156.98)
Add: During the year	(89.77)	12.81
Add: Share of Join Venture	(19.21)	(8.25)
Less: Deferred tax	22.59	(3.22)
Closing Balance	(242.03)	(155.64)
Total	34,245.77	33,998.34

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Nature and Purpose of reserve**

- a) **Capital Reserve:** Premium on reissue of forfeited shares
- b) **Remeasurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

Note (i) :- Movement in Retained Earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
General Reserve - Opening	28,104.42	28,104.42
Closing Balance	28,104.42	28,104.42
Profit & Loss Account - Opening	6,049.54	5,897.90
Add: Profit During the year	365.82	183.63
Less: Dividend & Dividend Tax	31.99	31.99
Closing Balance	6,383.37	6,049.54
Total	34,487.78	34,153.96

Note (ii) - The Board of Director has recommended a Dividend of Re. 0.10 per Equity Share of Rs. 2/- each subject to the approval of Shareholders in the ensuing Annual General Meeting. Proposed Dividend as above amounting to Rs. 63.97 lakhs for the Financial Year 2023-24 has not been recognised as liability as on 31-03-2024 in term of Revised "IND AS 10 - Events after the Reporting Period". Consequently the same has not be appropriated from Surplus during the Year.

Note 17 - Non Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at Amortised Cost		
Secured		
From Banks		
Term Loan (Refer Note :- 39)	569.45	833.52
Vehicle Loan	26.11	58.17
	595.56	891.69
Less:- Current Maturities of Long term borrowings	309.30	297.45
	286.26	594.24
Unsecured		
From related parties	94.00	94.00
Total	380.26	688.24



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 18 - Non Current Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	99.84	145.00
Total	99.84	145.00

Note 19 - Non Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Deposits	3.00	4.25
Total	3.00	4.25

Note 20 - Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax liability		
on difference in tax base of Property, plant and Equipment other than land	35.75	51.53
on Amortisation of upfront fees	—	0.84
on revaluation of land	7,361.89	7,361.89
Total Deferred Tax liability (a)	7,397.64	7,414.26
Deferred tax Assets		
on remeasurement of defined benefit liability	40.57	—
on Amortisation of upfront fees	0.70	0.65
on other taxable temporary difference	2.85	2.85
Total Deferred Tax assets (b)	44.12	3.50
Deferred Tax Liability (Net) (a-b)	7,353.52	7,410.76

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 21 - Non Current Provisions**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefit		
Leave Encashment	23.77	24.05
Gratuity	34.01	—
Total	57.78	24.05

Note 22 - Other Non Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance against development of property	330.00	150.00
Total	330.00	150.00

Note 23 - Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at Amortised Cost		
Secured		
Current Maturity of Long Term Borrowing (Refer Note :- 39)		
Term Loans from Banks	293.45	264.00
Vehicle Loans	15.86	33.45
SID Loan	299.12	290.99
Loan repayable on demand		
Secured		
From banks (Refer note :- 39)		
Cash Credit	3,827.18	3,572.53
Working Capital Demand Loan	2,450.00	2,450.00
Unsecured		
From Body Corporates	363.00	417.93
Total	7,248.61	7,028.90



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 24 - Financial Liabilities - Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	45.16	56.47
Total	45.16	56.47

Note 25 - Financial Liabilities - Trade Payable

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total outstanding dues of micro enterprise and small enterprise	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note No 48)	1,398.59	1,479.83
Total	1,398.59	1,479.83

Note 26 - Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payable to Employees	139.04	158.31
Unclaimed Dividend	27.59	27.73
Interest accrued but not due	17.66	15.65
Total	184.29	201.69

Note 27 - Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provisional for Employee Benefits		
Leave Encashment	49.90	10.35
Gratuity	24.50	–
Others		
Rates & Taxes	7.71	21.79
Total	82.11	32.14

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 28 - Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contract Liability	38.04	61.56
Other statutory liabilities	575.26	465.61
Total	613.30	527.17

Note 29 - Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Products		
- Katha	18,086.93	16,993.82
- Cutch	645.89	496.84
- Spices	350.85	582.52
Other Operating Revenue	89.95	134.61
Total	19,173.62	18,207.79

Note 30 - Other Income

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Income on Bank Deposits	0.20	0.28
Liabilities no longer required written back	27.86	122.87
Insurance Claim	14.77	10.11
Scrap Sale	17.68	18.63
Miscellaneous Income	7.40	9.69
Total	67.91	161.58



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 31 - Cost of Material Consumed

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Stock	1,319.74	1,538.82
Purchases of Raw Materials	12,063.50	11,033.03
Add: Extraction Expenses	61.07	52.36
Foreign Exchange Fluctuations (Net)	(30.37)	1.02
	<u>13,413.94</u>	<u>12,625.23</u>
Less : Closing Stock	1,832.46	1,319.74
Cost of Material Consumed	<u>11,581.48</u>	<u>11,305.49</u>

Note 32 - Change in inventories of finished goods and work -in-progress

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening stock (Finished Goods & Stock in Progress)	4,210.83	4,054.68
Closing stock (Finished Goods & Stock in Progress)	4,259.45	4,210.83
Total	<u>(48.62)</u>	<u>(156.15)</u>

Note 33 - Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries and Wages	1,868.21	1,791.54
Contribution to Provident and Other Fund	117.24	109.11
Staff welfare expenses	118.37	98.96
Total	<u>2,103.82</u>	<u>1,999.61</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 34 - Finance Cost**

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on Borrowings	804.75	589.63
Other Interest Expenses	25.85	68.73
Other Borrowing Cost	11.89	20.62
Total	842.49	678.98

Note 35 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Power and Fuel	1,242.24	1,077.44
Stores and Spare parts consumed	698.00	820.76
Consultancy and Service Charges	350.58	343.91
Machine Katha Expenses	602.34	447.30
Factory Maintenance Charges	130.38	128.62
Frieght and Selling Expenses	206.34	281.22
Insurance	46.95	44.86
Other Consumable and Chemicals Consumed	104.76	105.43
Rates and Taxes	18.91	49.60
Rent	110.85	121.68
Repairs to Buildings	24.66	10.99
Repairs to Plant & Machinery	82.68	67.69
Repairs to Others	60.75	49.49
CSR Expenses	40.50	6.53
Traveling Expenses	68.89	110.49
Auditors Renumeration For Audit fees	4.00	4.00
Auditors Renumeration For Other Services	2.32	1.39
Directors sitting fees	3.29	1.37
Loss on sale of property, plant and equipment	6.38	5.20
Miscellaneous Expenses	237.47	227.48
Total	4,042.29	3,905.45



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 36 - Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(1) Current tax		
Current Tax Expenses	101.54	51.26
Total	101.54	51.26
(2) Deferred tax		
Deferred Tax expense/(income)	(34.65)	(8.28)
Total	66.89	42.98

Reconciliation of effective tax rate

The Income tax expenses for the year can be reconciled to the accounting profit as follows:-

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit Before Tax and before share of consolidated profit of JV	325.90	180.99
Income Tax expenses calculated @ 25.17%	82.03	45.56
Effect of Non deductible expenses	(18.81)	-
Other differences	3.67	(2.58)
Tax Expenses recognised in Profit & Loss Account	66.89	42.98
Effective Tax Rate	20.52%	23.74%

Note 37 - Earnings Per Share

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Net Profit for calculation of Basic and Diluted EPS (₹ in lakhs)	365.82	183.63
(b) Weighted Average Number of Equity Shares in calculation of Basic and Diluted EPS	6,39,72,720	6,39,72,720
(c) Nominal value per share (₹)	2	2
Basic and Diluted EPS (₹) (a/b)	0.57	0.29

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 38 - Related Party Transaction****(i) Name of related parties and nature of relationship:-****Key Management Personnel (KMP)**

Name	Position Held
Mr. Krishna Kumar Mohta	Chairman & Managing Director
Mr. Bharat Mohta	CEO & Whole Time Director
Mr. Raj Kumar Agarwal	Chief Financial Officer
Mr. Anup Gupta	Company Secretary

Other Directors

Name	Position Held
Mr. Rajendra Prasad Chetani	Non-Executive Non-Independent Director
Mr. Sanjay Kumar Maheswary	Independent Director
Mr. Vinod Kumar Maheshwary	Independent Director
Ms. Drisha Poddar	Independent Director
Mr. Surendra Kumar Bagri	Independent Director
Mr. Suman Mimani	Independent Director (w.e.f 13.02.2024)

Relatives of Key Management Personnel

Name	Position Held
Mrs. Savita Mohta	Spouse of Mr. K. K. Mohta (Chairman & Managing Director)
Mrs. Avanti Mohta	Spouse of Mr. Bharat Mohta (WTD & CEO)
M/s Krishna Kumar Mohta HUF	Karta is Chairman & Managing Director
M/s Bharat Mohta HUF	Karta is WTD & CEO

Enterprises having significant influence

Name	Position Held
ACMA Industrials Projects (P) Ltd	Significant Control
Arvind Engineering Works Ltd	Common Director
Security Company Limited	Common Director
Indian Glass & Electricals Pvt Ltd	Common Director
IWP CSR TRUST	Significant Control



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 38 - Related Party Transaction (Contd.)

(ii) The following transactions occurred with related parties:-

(₹ in lakhs)

Particulars	KMP/Other Directors & Relatives of KMP		Parties with Control Entities		Enterprises having Significant Influence	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Remuneration and Employee Benefits						
Krishna Kumar Mohta	165.99	99.66	-	-	-	-
Bharat Mohta	129.59	103.72	-	-	-	-
Raj Kumar Agarwal	24.86	22.13	-	-	-	-
Anup Gupta	9.19	8.30	-	-	-	-
Director Sitting Fees						
Mr. Rajendra Prasad Chetani	0.72	0.18	-	-	-	-
Mr. Sanjay Kumar Maheswary	0.72	0.29	-	-	-	-
Mr. Vinod Kumar Maheshwary	0.72	0.38	-	-	-	-
Ms. Drisha Poddar	0.38	0.30	-	-	-	-
Mr. Surendra Bagri	0.60	0.23	-	-	-	-
Mr. Suman Mimani	0.15	-	-	-	-	-
CSR Expenses						
IWP CSR TRUST	-	-	40.50	6.53	-	-
Interest on Unsecured Loans Taken						
Indian Glass & Electricals (P) Ltd	-	-	-	-	6.66	6.66
Security Co Ltd	-	-	-	-	2.40	2.40
Dividend Paid						
Mr. Krishna Kumar Mohta	0.99	0.99	-	-	-	-
Mr. Bharat Mohta	3.82	3.82	-	-	-	-
Mrs. Savita Mohta	4.58	4.58	-	-	-	-
Mrs. Avanti Mohta	3.76	3.76	-	-	-	-
M/s Krishna Kumar Mohta HUF	0.14	0.14	-	-	-	-
M/s Bharat Mohta HUF	2.28	2.28	-	-	-	-
Arvind Engineering Works Ltd	-	-	-	-	0.30	0.30
Security Company Limited	-	-	-	-	6.16	6.16
Acma Industrial Projects (P) Ltd	-	-	-	-	0.12	0.12
Indian Glass & Electricals (P) Ltd	-	-	-	-	0.60	0.60

Mr. R.P Chetani, Mr. R.K Agarwal, Mr. V.K. Maheshwary and Mr. S. K. Maheswary have also been paid Dividend but the amount is below Rs. 1000/- hence not reported above.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****Note 38 - Related Party Transaction (Contd.....)**

(iii) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties: (₹ in lakhs)

Particulars	Enterprises having Significant Influence	
	As at 31st March, 2024	As at 31st March, 2023
(i) Unsecured Loans		
Indian Glass & Electricals (P) Ltd	74.00	74.00
Security Co Ltd	20.00	20.00

- 39 a) Working Capital facilities and ECLGS Loan are from Union Bank of India, DBS Bank India Ltd and Yes Bank Ltd under Multiple Banking Arrangements (MBA) secured by charge of stocks of Raw material, Katha and Cutch whether Raw or in process of manufacture and all articles manufactured there from, Stores, Book debts, Plant & Machinery and certain other assets and mortgaged by deposit of title deeds of Land at Bareilly measuring 91,600 square meter on pari – passu basis and have been guaranteed by Promoter Director(s).

Current Year (₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
DBS Bank India Ltd				
Cash Credit Account	Repo + 3.30%		–	1,983.27
Sales Invoice Discounting (SID)	9.45%		–	299.12
Union Bank of India				
Term Loan	9.25%	48 Months starting from 18.01.2022	276.00	293.45
Cash Credit Account	EBLR + 0.70%		–	1,904.78
Yes Bank				
Cash Credit Account	Repo + 2.50%		–	(60.86)
Working Capital Demand Loan	8.30% & 8.65%		–	2,450.00



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Previous Year

(₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
DBS Bank India Ltd				
Cash Credit Account	MCLR + 1.15%	–	–	266.93
Working Capital Demand Loan	7.10%	–	–	1,400.00
Union Bank of India				
Term Loan	7.85%	18 Instalment starting from 30.11.2020	–	3.89
Term Loan	EBLR + 1%	48 Months starting from 18.01.2022	803.80	287.50
Cash Credit Account	MCLR + 0.95%	–	–	2,334.81
CITI Bank				
Term Loan	9%	18 Instalment starting from April 3, 2019, April 4, 2019, April 25, 2019 & Aug 30, 2019	128.35	97.57
Cash Credit Account	8.25%	–	–	(183.85)
Working Capital Demand Loan	7.10%	–	–	2,100.00

39 b) Vehicle Loans sanctioned by Banks /NBFC against hypothecation of the respective vehicle

Current Year

(₹ in lakhs)

Banks	Rate of Interest	Repayment Terms	Non Current	Current
ICICI Bank Ltd.	8.20%	60 Instalment starting from Aug 05, 2022	12.96	4.84
Kotak Mahindra Prime Ltd	8.14%	60 Instalment starting from Nov 5, 2020	1.61	2.92
Union Bank of India	9.15%	60 Instalment starting from Nov 30, 2018	1.28	1.08
Yes Bank Limited	9.00%	60 Instalment starting from Feb 02, 2019	–	1.41



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Previous Year				(₹ in lakhs)	
Banks	Rate of Interest	Repayment Terms	Non Current	Current	
ICICI Bank Ltd.	8.20%	60 Instalment starting from Aug 05, 2022	17.80	4.46	
Kotak Mahindra Prime Ltd	8.14%	60 Instalment starting from Nov 5, 2020	4.53	2.69	
Yes Bank Limited	8.50%	60 Instalment starting from Jan 15, 2018	–	0.21	
Axis Bank Limited	8.61%	60 Instalment starting from Oct 01, 2018	–	11.12	
Union Bank of India	9.15%	60 Instalment starting from Nov 30, 2018	2.25	1.08	
Yes Bank Limited	8.50%	60 Instalment starting from July 15, 2018	–	5.09	
Yes Bank Limited	9.00%	60 Instalment starting from Feb 02, 2019	0.14	6.61	
Yes Bank Limited	9.00%	60 Instalment starting from Nov 02, 2018	–	2.18	

40 The Group has only one reportable operation segment i.e. manufacturing and trading of Katha as per Ind AS - 108. The group has considered following for the disclosure of geographical information:

Geographical Information

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue from external customers		
- within India	19,173.62	18,207.79
- Outside India	5,206.94	3,841.56
	<u>24,380.56</u>	<u>22,049.35</u>
Non-Current Assets		
- within India	39478.62	39643.99
- Outside India	736.87	688.07
	<u>40,215.49</u>	<u>40,332.06</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

41 DISCLOSURES REQUIRED UNDER THE MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT.

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Principal amount and Interest due thereon remaining unpaid to any supplier as on	–	–
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	–	–
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	–	–
The amount of interest accrued and remaining unpaid.	–	–
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under this Act.	–	–

42 Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013, CSR Committee has been formed by the Company. The details of expenditure being incurred during the year on CSR activities are (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Amount required to be spent by the company during the year	0.76	6.53
Amount of expenditure incurred	40.50	6.53
Shortfall at the end of the year	–	–
Total of previous years shortfall	–	–
Reason for shortfall	–	–
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	IWP CSR Trust	IWP CSR Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

43 Leases:

The Parent Company has lease contracts for its office spaces and others used in its operations. The Parent Company also hold leasehold land having lease term of 40 years

Leases

Group as a lessee

Impact on Balance sheet (Increase/Decrease)

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Assets		
Right of use Assets (Refer Note No. 3.3)	322.40	378.72
Liabilities		
Lease liability	145.00	201.47

Impact on Statement of Profit and Loss (Decrease in Profit)

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Depreciation and Amortisation	56.32	99.52
Rental Expense	(78.23)	(162.23)
Finance Cost	21.95	40.82
Net Impact on Profit	0.04	-21.89

Impact on Statement of cash flows

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Total Cash outflow for leases	56.47	55.02

Set out below are the carrying amounts of right-to-use assets recognised and the movement during the period:

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Initial recognition on adoption of Ind AS 116		
As on beginning of the year	378.72	435.06
Reclassified from PPE (leasehold land) to ROU asset on adoption of Ind AS 116	–	–
Addition during the year	–	–
Depreciation Expense	56.32	56.33
As at End of the year	322.40	378.72



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

43. Leases (Contd.)

Set out below are the carrying amounts of lease liabilities and the movement during the period: (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
As on beginning of the year	201.47	256.50
Addition during the year	–	–
Repayment during the year	(56.47)	(55.02)
As at End of the year	145.00	201.47

Maturity Analysis of Lease Liability

Contractual maturities of lease liability

(₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Within one year	45.17	56.45
After one year but not more than five years	99.83	145.02
More than five years	–	–
Total Lease liability	145.00	201.47

44. Employee Benefits

(a) Contribution to Defined Contribution Plans Recognised as Expense are as under (₹ in lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Provident and Other Funds	117.24	109.11

(b) Defined Benefit Plan

Gratuity: The Company has a defined Gratuity Plan for its employees. 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.

The Scheme is funded with an insurance company in the form of qualifying insurance policy.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Disclosure for Defined Benefit Plans based on actuarial report

(₹ in lakhs)

Particulars	2023-2024		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Changes in Defined Benefit Obligation :				
Present Value of Defined Benefit Obligation at the Beginning of the Year	161.72	481.25	163.67	466.93
Current Service Cost	49.48	27.10	34.30	30.81
Interest Cost	10.72	33.09	10.00	29.78
Components of actuarial gain/losses on obligations:				
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	-0.15	-5.18	-	-
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	11.58	57.19	(3.61)	(19.53)
Actuarial (Gains)/Losses Arising from Changes in Experience Adjustments	9.66	19.75	8.24	3.50
Past service cost	-	-	-	-
Benefits Paid	(35.67)	(19.01)	(50.90)	(30.25)
Present Value of Defined Benefit Obligation at the end of the Year	207.34	594.19	161.72	481.25
Change in Plan Assets :				
Fair Value of Plan Assets at the Beginning of the Year	127.31	515.82	115.24	513.50
Interest Income	7.62	36.68	6.80	34.08
Re Measurements Gains/(Losses)	-	-	-	-
Return on Plan Assets, (Excluding Amount Included in net Interest Expense)	0.88	2.19	2.84	(1.42)
Contribution by Employers	0.08	-	7.47	-
Benefits Paid	(2.21)	(19.01)	(5.04)	(30.34)
Fair Value of Plan Assets at the End of the Year	133.67	535.68	127.31	515.82
Net defined benefit liability/(assets)	73.67	58.51	34.41	(34.57)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Particulars	2023-2024		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Service cost:				
Current service cost	49.48	27.10	34.30	30.81
Past service cost and loss/(gain) on curtailments and settlement	-	-	-	-
Net interest cost	3.10	(3.58)	3.20	(4.30)
Net Value of remeasurements on the obligation and plan assets	20.21	-	1.79	-
Expenses Recognized in the Statement of Profit and Loss	72.79	23.51	39.30	26.51
Expenses Recognised in other Comprehensive Income				
Return on Plan Assets, (Excluding Amount Included in net Interest Expense)	(0.88)	(2.19)	(2.84)	(1.42)
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	(0.15)	(5.18)	-	-
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	11.58	57.19	(3.61)	(19.53)
Actuarial (Gains)/Losses Arising from Changes in Experience Adjustments on Plan Liabilities	9.66	19.75	8.24	3.50
Total Actuarial (Gains)/Losses Recognized in other Comprehensive Income	20.21	69.56	1.79	(17.45)
The Major Categories of Plan Assets as a % of Total Plan				
Qualifying Insurance Policy	100%		100%	
The Principal Actuarial Assumption Used :				
Discount Rate	7.2%		7.5%	
Salary Growth Rate	6%		5%	
Withdrawal Rate	3% at younger ages reducing to 1% at older ages		5% at younger ages reducing to 1% at older ages	

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

44. Employee Benefits (Contd.)

Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets is based on market expectation, at the beginning of the period, which is used for calculating returns over the entire life of the related obligation. The Gratuity Scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India.

Sensitivity Analysis for Significant Assumptions as on 31st March, 2024 are as Follows : (₹ in lakhs)

Particulars	2023-2024		2023-2024	
	Leave	Gratuity	Leave	Gratuity
Assumptions	Discount Rate			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	202.62	569.75	212.32	620.39
Assumptions	Future Salary Increase			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	212.35	618.27	202.54	570.50
Assumptions	Withdrawal Rate			
Sensitivity Level	W.R. * 110%		W.R. * 90%	
Impact on Defined Benefit Plan (INR)	207.29	595.19	207.39	593.16

Sensitivity Analysis for Significant Assumptions as on 31st March, 2023 are as Follows : (₹ in lakhs)

Particulars	2022-2023		2022-2023	
	Leave	Gratuity	Leave	Gratuity
Assumptions	Discount Rate			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	358.28	463.00	165.34	500.78
Assumptions	Future Salary Increase			
Sensitivity Level	0.5% Increase		0.5% Decrease	
Impact on Defined Benefit Plan (INR)	165.40	500.67	158.18	462.92
Assumptions	Withdrawal Rate			
Sensitivity Level	W.R. * 110%		W.R. * 90%	
Impact on Defined Benefit Plan (INR)	161.77	483.07	161.68	479.39

The Weighted Average Duration of the Defined Benefit Obligation as at 31st March 2024 is 58 years



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

45. Fair Value

i) Financial Instruments with category:

Particulars	Carrying Value		Fair Value	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial Assets				
Trade receivables - at amortised cost	4,964.52	4,408.36	4,964.52	4,408.36
Security Deposits - at amortised cost	64.33	63.31	64.33	63.31
Cash and Cash equivalents at amortised cost	159.29	401.44	159.29	401.44
Balance with Bank other than Cash and Cash Equivalent - amortised cost	29.48	29.35	29.48	29.35
Others	2.58	20.86	2.58	20.86
Loans - at amortised cost	26.30	23.79	26.30	23.79
Total	5,246.50	4,947.11	5,246.50	4,947.11
Financial Liabilities				
Loans from Bank and others-at amortised cost	7,628.87	7,717.14	7,628.87	7,717.14
Security Deposits - at amortised cost	3.00	4.25	3.00	4.25
Payable to Employees	139.04	158.31	139.04	158.31
Unclaimed Dividend	27.59	27.73	27.59	27.73
Trade Payables	1,398.59	1,479.83	1,398.59	1,479.83
Others	165.66	221.37	165.66	221.37
Total	9,362.75	9,608.63	9,362.75	9,608.63

b) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Forward Contracts, which have been fair valued using Level 1 & Level 2 Hierarchy respectively.

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

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

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

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy	As at March 31, 2024	As at March 31, 2023
Financial Assets	—	—	—
Investment (Current)	—	—	—

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****46. Financial Risk Management Objectives and Policies**

The Company's financial liabilities comprise loans, Trade and other payables. The main purpose of these financial liabilities is to finance the Company's operation. The Company's principal financial assets include Investments, loans, Trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company regularly assess these risks, monitor, evaluate and deploy mitigation measures to manage the risks within risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial assets 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 loans and borrowing, investments, trade receivables etc.

i. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with Floating rate of interest.

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

(₹ in lakhs)

Particulars	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Pre tax Equity
31.03.2024	+50	(35.73)	(35.73)
	-50	35.73	35.73
31.03.2023	+50	(21.19)	(21.19)
	-50	21.19	21.19

The assumed movement in basis points for interest rate sensitivity is based on the currently observable market environment.

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are hedged by the Company.

b. Credit Risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instruments or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers and Outstanding receivables are regularly monitored.

c. Liquidity Risk

Liquidity Risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank loans, Credit purchases etc.

The table below provides undiscounted cash flows towards Financial Liability into relevant maturity based on the remaining period at the balance sheet date to the contract maturity date.

As at 31st March' 2024

(₹ in lakhs)

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans (including Current maturities)	6,640.18	608.43	380.26	–	7,628.87
Trade Payables	–	1,362.82	35.77	–	1,398.59
Total	6,640	1,971.25	416.03	–	9,027.46

As at 31st March' 2023

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans (including Current maturities)	6,440.46	588.44	688.24	–	7,717.14
Trade Payables	–	1,455.16	24.67	–	1,479.83
Total	6,440.46	2,043.60	712.91	–	9,196.97

47 Capital Management

For the purpose of the Company's Capital Management, Capital includes issued equity capital, shares premium and all other Equity Reserves attributable to the Equity holders of the Parent. The Primary objective of the Company's capital management is to maximise the Shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

Particulars	31st March, 2024	31st March, 2023
Borrowings	7,628.87	7,717.14
Trade Payables	1,398.59	1,479.83
Other financial liabilities	335.29	411.66
Less : Cash and cash equivalent including bank balance	188.77	430.79
Net Debt	9,173.98	9,177.84
Equity	35,525.52	35,278.09
Total Capital	35,525.52	35,278.09
Gearing Ratio	25.82%	26.02%

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

48. Trade Payable Ageing Schedule

As at 31st March' 2024

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Years	1-2 Years	2 - 3 Years	More Than 3 Years	
(i) MSME	–	–	–	–	–
(ii) Others	1,362.82	0.74	19.24	15.80	1,398.59
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total Trade Payables	1,362.82	0.74	19.24	15.80	1,398.59

As at 31st March' 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Years	1-2 Years	2 - 3 Years	More Than 3 Years	
(i) MSME	–	–	–	–	–
(ii) Others	1,455.16	14.33	8.87	1.47	1,479.83
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total Trade Payables	1,455.16	14.33	8.87	1.47	1,479.83



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

49. Trade Receivables Ageing Schedule

As at 31st March' 2024

Particulars	Outstanding for following periods from transaction date of payments					Total
	< 6 Months	6 Months - 1 year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - considered goods	4,899.65	6.86	56.79	3.58	1.76	4,968.64
(ii) Undisputed Trade Receivables - Which have Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total						4,968.64
Less : Allowance for credit Impairment						4.12
Total						4,964.52

As at 31st March' 2023

Particulars	Outstanding for following periods from transaction date of payments					Total
	< 6 Months	6 Months - 1 year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - considered goods	4,320.91	58.20	10.46	20.46	8.49	4,418.52
(ii) Undisputed Trade Receivables - Which have Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total						4,418.52
Less : Allowance for credit Impairment						10.16
Total						4,408.36



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

50. Interest in Other Entities

The Consolidated Financial Statements present the Consolidated Accounts of The Indian Wood Products Co Ltd with its following Joint Venture

Name of Company	Country of Incorporation	Activities	Proportion of ownership of interest as at 31.03.2024	Proportion of ownership of interest as at 31.03.2023
Agro and Spice Trading Pte Ltd	Singapore	Trading in Spices	50%	50%

51. Movement of Investment in Joint Venture using equity method

(₹ in Lakhs)

Particulars	AGRO AND SPICE TRADING PTE. LTD	
	2023-24	2022-23
Investment as at beginning of the Period	786.35	748.98
Add: Share of Consolidated profit	106.81	45.62
Add: Share of Consolidated OCI	(19.21)	(8.25)
Investment as at end of the Period	873.95	786.35

52. Additional Information pertaining to the Parent Company and Joint Venture as per Schedule III of Companies Act 2013

(₹ in Lakhs)

Name of the entity	Net Assets (Total assets minus total liabilities)		Share in Profit & Loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Net Assets	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
The Indian wood Product Company Limited	100.16%	35,583.43	70.80%	259.01	77.76%	(67.18)	68.65%	191.83
Joint Ventures								
Foreign								
Agro and Spice Trading Pte Ltd	-0.16%	(57.91)	29.20%	106.81	22.24%	(19.21)	31.35%	87.60
TOTAL	100%	35,525.52	100%	365.82	100%	-86.39	100%	279.43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

53. The main Products of the Parent Company i.e. Katha & Cutch along with its Raw Materials like Khair Wood, Katha Lugdi, Cutch Lugdi, are covered under U. P. Forest Act and a transit fee has to be paid on movement of all these items. Uttar Pradesh Government by its various amendments changed the transit fee from Rs. 38/- Per M.T to Rs. 200/- Per Cubic Meter and subsequently 5% advolrum.

Honorable Supreme Court in its interim order dated 26/04/2016, directed the Uttar Pradesh Government to collect transit fees @ 5% advolrum subject to final outcome of the case and also directed U. P. Government to keep the said amount in a separate account so that it can be paid back to the effected parties with interest @ 9% Per Annum if final order is in favour of the parties.

Subsequently Honorable Supreme Court by its final order dated 15/09/2017 directed Uttar Pradesh Government to collect transit fees @ Rs 38/- Per M.T only and refund the excess amount collected from parties along with interest @ 9% per annum.

In view of the above, an excess amount of Rs. 1000.29 lakhs paid as transit fees to the Forest Department of Uttar Pradesh is refundable with interest @ 9% per annum. The parent company has made necessary applications which is under process and will be accounted for as and when the parent company will get the refund.

54. Contingent Liabilities and Commitments

- a) Demand for sales tax and GST amounting to Rs. 165.05 lacs (Rs. 135.40 lacs) which are not acknowledged as debts. Against the same company has paid under protest a total of Rs. 30.28 lacs (Rs. 15.29 lacs) included in loans and Advances and TDR of Rs. 2.64 lacs (Rs. 2.64 lacs) are deposited with the sales tax authorities.
- b) Mandi Samitee demand on Katha amounting to Rs. 2.38 lacs (Rs. 2.38 Lacs) has been disputed by the Company and stayed by Honorable High Court, Allahabad.
- c) During the FY 2017-18, Commissioner of Customs an Expartie, Nhava Sheva had passed an Ex-Party Judgement and raised a demand of Rs. 341.78 Lacs and imposed a penalty of Rs 3,41.78 Lacs against a Show Cause Notice issued by the Additional Director General, Directorate of Revenue Intelligence, Kolkata in the year 2010. The said order passed by the Commissioner being contrary to law and against the principle of natural justice, based on assumption and presumptions without any evidence on record and was not acceptable to the Company, hence an appeal was preferred by the Company before CESTAT Nhava Sheva by producing evidence of pre-deposit of Rs.40.00 lacs being 11.7% of duty demanded against the requirement of 7.5% of the duty demanded while filing the appeal. Simultaneously, (2) two of the Whole Time Directors were also made liable in the above said order on whom a penalty of Rs.15.00 lacs and Rs.10.00 lacs respectively imposed. An appeal was also preferred on their behalf and a sum of Rs.1.90 las was deposited by the Company and the amount is appearing in Loans & Advances account. Consequently, as per the legal advice obtained, no provision is made at this stage. Final adjustment if any will be done as and when the matter is crystalized.
- d) During the year, the Company received an order from the Income Tax Department under section 144B of the Income Tax Act, for the Assessment Year 2018 - 19 for a tax demand of Rs. 17,17,49,287/-. The Company believes that the said demand is not maintainable and has filed an appeal against the said order.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)****55. Disclosure of Transactions with Struck Off Companies**

The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

56. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Discrepancy in utilisation of borrowings
 - iv. Current maturity of long term borrowings

57. For better presentation previous year's figures have been regrouped / re-arranged wherever necessary.

In terms of our Report attached
For **S K Agrawal and Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration Number - 306033E/E300272
Jugal Kishor Choudhury
Partner
Membership No.: 009367

Place: Kolkata
Date: May 30, 2024

**For and on behalf of Board of Directors of
The Indian Wood Products Co. Ltd.**

Krishna Kumar Mohta
Chairman & MD
DIN: 00702306

Bharat Mohta
WTD & CEO
DIN: 00392090

Raj Kumar Agarwal
Chief Financial Officer

Anup Gupta
Company Secretary
M. No. - A36061



TM ®

Since 1919



Swaad bhi swasth bhi



Traditional uses of Katha

- Sore throat
- Constipation
- Skin Disorders
- Diabetes
- Ulcer @ mouth
- Fights Obesity
- Dental Paste
- As an Anti-Oxidant

