



Shreyans Industries Limited

Regd. Office : Village Bholapur, P.O. Sahabana,
Chandigarh Road, Ludhiana - 141123 India

CIN : L17115PB1979PLC003994
Mob. # : 98761-00948
E-mail : atl@shreyansgroup.com
website : www.shreyansgroup.com

SIL/SCY/2025-26/ 58-59

18.07.2025

To

BSE LIMITED

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Scrip Code: 516016

National Stock Exchange of India Limited,

Exchange Plaza, Bandra Kurla Complex,
Bandra (West) Mumbai - 400 051
Scrip Code: SHREYANIND

SUBJECT: 45TH ANNUAL REPORT OF THE COMPANY FOR FY 2024-25

Dear Sir,

Ref: Regulation 34 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

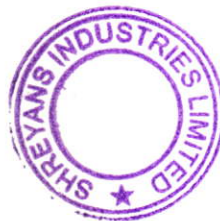
Pursuant to Regulation 34 of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, please find enclosed herewith 45th Annual Report of the Company for the Financial Year 2024-25.

You are requested to take the same on your records.

Thanking you,

FOR SHREYANS INDUSTRIES LIMITED

PARMINDER SINGH
COMPANY SECRETARY
A43115



Encl.: a/above



BRANCH OFFICE :-

- 5 A-D, Gopala Tower, 25 Rajendra Place, New Delhi-110008
Tel # 011-25721042, 25732104 Fax # 91-11-25752271
E-mail : sil.delhi@shreyansgroup.com



Shreyans Industries Limited

ANNUAL REPORT 2024-2025





Our Guiding Light and Inspiration

Late Sh. D.K. Oswal

(Founder Chairman -Shreyans Industries Limited)

BOARD OF DIRECTORS

| | |
|-------------------------------------------------------|----------------|
| MR. RAJNEESH OSWAL, CHAIRMAN AND MANAGING DIRECTOR | (DIN 00002668) |
| MR. VISHAL OSWAL, VICE-CHAIRMAN AND MANAGING DIRECTOR | (DIN 00002678) |
| MR. KUNAL OSWAL, WHOLE TIME DIRECTOR | (DIN 00004184) |
| MR. RAVINDER KUMAR, INDEPENDENT DIRECTOR | (DIN 09733167) |
| MR. KRISHAN SETHI, INDEPENDENT DIRECTOR | (DIN 00157646) |
| MRS. SHALINI GUPTA, INDEPENDENT DIRECTOR | (DIN 07176781) |

MR. RAKESH KUMAR MAHAJAN
CHIEF FINANCIAL OFFICER

MR. PARMINDER SINGH
COMPANY SECRETARY

BANKERS

- | | | |
|------------------------|----------------------|-------------------------|
| 1) STATE BANK OF INDIA | 2) IDBI BANK LIMITED | 3) PUNJAB NATIONAL BANK |
| 4) ICICI BANK LIMITED | 5) DEUTSCHE BANK AG | |

STATUTORY AUDITORS

M/S. SCV & CO. LLP
LUDHIANA

SECRETARIAL AUDITORS

M/S. P.S. BATHLA & ASSOCIATES
LUDHIANA

COST AUDITORS

M/S. RAJAN SABHARWAL & ASSOCIATES
LUDHIANA

REGISTRAR & TRANSFER AGENTS

M/S. SKYLINE FINANCIAL SERVICES (P) LIMITED
D-153/A, 1ST FLOOR, OKHLA INDUSTRIAL AREA PHASE - I
NEW DELHI - 110020
TEL: 011 40450193-97, EMAIL: admin@skylinerta.com

REGISTERED & CORPORATE OFFICE

VILLAGE - BHOLAPUR. P.O. SAHABANA
CHANDIGARH ROAD, LUDHIANA- 141123. (PUNJAB)
CIN: L17115PB1979PLC003994,
TEL: 98761-00948

EMAIL: atl@shreyansgroup.com, cs@shreyansgroup.com, WEB: www.shreyansgroup.com

WORKS

- SHREYANS PAPERS, AHMEDGARH, DISTT. MALERKOTLA (PB.) - 148021
TEL: +91-161-5206300 FAX: +91-1675-240512, EMAIL: spm@shreyansgroup.com
- SHREE RISHABH PAPERS, VILLAGE BANAHA, DISTT. S. B. S. NAGAR (PB.) - 144522
TEL: +91-1881-273627-28-29 FAX: +91-1881-273645, EMAIL: srp@shreyansgroup.com

BRANCH/MARKETING OFFICE

5 A-C, GOPALA TOWER,
25, RAJENDRA PLACE, NEW DELHI-110008
TEL: +91-11-25818258-59, 25721042
EMAIL: sil.delhi@shreyansgroup.com
srpmktg.delhi@gmail.com

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NOTICE

NOTICE is hereby given that, the 45th Annual General Meeting of the members of the Company will be held on Tuesday, the 12th August, 2025 at 11.00 a.m. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 to transact the following business.

AS AN ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a final dividend of ₹3/- per equity share and a special dividend of ₹2/- per equity share for the financial year ended 31st March, 2025.
3. To appoint a director in place of Mr. Rajneesh Oswal (DIN: 00002668), who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS**ITEM NO. 4**

TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and its related and applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, (including any statutory modifications thereof for the time being in force), the remuneration of ₹75,000/- (Rupees Seventy Five Thousand only) plus goods and service tax as applicable and re-imbursement of out of pocket expenses, if any, for the financial year ending 31st March, 2026, as approved by the Board of Directors of the Company and payable to M/s. Rajan Sabharwal and Associates, (Firm Registration No. 101961), Cost Accountants, Ludhiana, appointed by the Board as Cost Auditors to conduct the audit of the cost accounts of the Company, be and is hereby ratified.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions.”

ITEM NO. 5

TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued thereunder from time to time and Section 204 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s P.S. Bathla & Associates, Practising Company Secretaries, Ludhiana (CP No. 2585) be and is hereby appointed as Secretarial Auditors of the Company for a period of 5(five) consecutive years, commencing from the financial year 2025-26 to 2029-30, to conduct the Secretarial Audit and issue the Secretarial Audit Report and Annual Secretarial Compliance Report, on such terms & conditions, including remuneration as may be mutually agreed between the Board of Directors of the

Company and the Secretarial Auditors.”

RESOLVED FURTHER THAT approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions.”

**By order of the Board
For Shreyans Industries Limited**

**Sd/-
Parminder Singh**

**Company Secretary
ACS 43115**

**Dated : 23rd May, 2025
Place : Ludhiana**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.
Corporate members are required to send a certified copy of the Board Resolution to the Company, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed herewith.
5. The Register of Members and Share Transfer books of the Company shall remain closed from 6th August, 2025 to 12th August, 2025 (both days inclusive), for the purpose of Annual General Meeting of the Company and payment of dividend, if any.
6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Members as on 5th August, 2025.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

8. In compliance with Ministry of Corporate Affairs (MCA) and SEBI's circulars, the Notice of the 45th AGM and Annual Report for FY 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. The Members may note that, the Notice and Annual Report will also be available on the Company's website at www.shreyansgroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on website of the e-voting agency-Central Depository & Services Limited at www.evotingindia.com. Any shareholder of the Company interested in obtaining a physical copy of the said annual report may write to the Company Secretary at cs@shreyansgroup.com.
9. The members are requested to:
 - a. Quote their folio number/Client ID & DP-ID in all correspondence with the company.
 - b. Notify immediately to the company any change in their address/mandate, if any.
 - c. Register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.
10. Shares of the Company are available for De-Materialization under **ISIN-INE231C01019**. Members who have not opted for De-Materialization are requested to do so in their own interest.
11. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.
12. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. M/s P.S. Bathla & Associates, Company Secretaries in practice, Ludhiana, have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
14. The Results shall be declared within two working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.shreyansgroup.com and on the website of CDSL and communicated to the Stock Exchanges.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:

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

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

individual shareholders in demat mode.

- (i) The voting period begins on 8th August 2025 (09.00 A.M.) and ends on 11th August 2025 (05.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th August 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

| Type of Shareholders | Login Method |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | 1) Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. |

| Type of Shareholders | Login Method |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <p>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in Demat mode with NSDL Depository | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will</p> |

| Type of Shareholders | Login Method |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with NSDL Depository | <p>have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> |

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

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

| Login type | Helpdesk Details |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at toll free no. 1800 210 9911 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000 and 022-24997000 |

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

- (v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.

- 3) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the **EVSN (250701007)** for the relevant **<Shreyans Industries Limited>** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on,

click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@shreyansgroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 210 9911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 210 9911

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

ITEM NO. 4

The Board of Directors at their meetings held on 23rd May 2025, based on the recommendation of Audit Committee, has approved the appointment of M/s. Rajan Sabharwal and Associates, (Firm Registration No. 101961), Ludhiana as Cost Auditors to conduct the audit of the cost accounts of the Company for the financial year 2025-26 and the remuneration was fixed as given in the resolution.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors shall be ratified by the shareholders.

Necessary resolution is proposed at item No. 4 of the aforesaid notice as an ordinary resolution. The Directors of your company recommend the above resolutions for your consideration and approval.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested in the said resolution.

ITEM NO. 5

Pursuant to Regulation 24A of the SEBI Listing Regulations, every listed entity is required to conduct a Secretarial Audit by a Secretarial Auditor who shall be Peer Reviewed Company Secretary and annex a Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Auditor for a maximum of one term (in case of individual)/ two terms (in case of firm) of five consecutive years, with the approval of its shareholders in its Annual General Meeting. Accordingly, the Board of Directors of the Company at their meeting held on 23rd May, 2025 has recommended the appointment of M/s P.S. Bathla & Associates (CP No. 2585) Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of five consecutive years, commencing from the financial year 2025-26 to 2029-30.

M/s. P.S. Bathla & Associates have consented to their appointment as Secretarial Auditors and has confirmed that their appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015. They have

also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the applicable Act & Rules made thereunder and SEBI (LODR) Regulations.

Disclosure pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

Proposed Fees Payable to Secretarial Auditor: ₹70,000/- (Rupees Seventy thousand only) plus applicable tax and Reimbursement of out of pocket expenses if any for financial year 2025-26. The remuneration for the subsequent year(s) of their term shall be determined by the Board of the Directors based on the recommendation of the Audit Committee.

Terms of Appointment: 5 Consecutive Years i.e. from the financial year 2025-26 to financial year 2029-30.

Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: Not Applicable

Basis of Recommendation of Appointment: Based on evaluation and consideration of various factors such as industry experience, competency of the audit team, efficiency and quality in conduct of audit, independent assessment, etc., further based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution for appointment of Secretarial auditor.

Details in relation to and credentials of the secretarial auditor proposed to be appointed: Mr. Parminder Singh Bathla (ICSI fellow membership no. 4391, CP No. 2585) is proprietor of M/s. P. S. Bathla & Associates. His Firm i.e. M/s. P. S. Bathla & Associates, Ludhiana is a peer reviewed firm and he is serving as a Secretarial Auditor to various listed and unlisted companies. Mr. Parminder Singh Bathla is a post graduate in commerce and a fellow member of the Institute of Company Secretaries of India. He is also a registered as an Insolvency Professional. He is having a rich experience of more than 42 years in handling compliances under Companies Act, Corporate Law and related legislations, Secretarial Audit, Due Diligence, Corporate Restructuring advisory services for Merger, Amalgamation, take over, Scrutinizer for E-voting/Postal Ballot.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

Necessary resolution is proposed at item No. 5 of the aforesaid notice as an ordinary resolution. The Directors of your company recommend the above resolutions for your consideration and approval.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested in the said resolution.

ANNEXURE TO THE NOTICE**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting**

| | |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Name of the Director | Rajneesh Oswal |
| DIN | 00002668 |
| Age | 59 Years |
| Date of Appointment on the Board | 30.06.1989 |
| Nature of Expertise in specific functional areas | Business Management |
| Qualifications | MBA |
| No. of Board Meetings attended during the financial year | 4 out of 4 |
| Details of the remuneration paid in FY 24-25 | Refer Corporate Governance Report |
| Directorship of other Listed Entity | Adinath Textiles Limited |
| Memberships of Committees of other Listed Entity (mandatory committees only) | Stakeholder's Relationship Committee (Adinath Textiles Limited) |
| Details of Listed Entity from which person has resigned in past three years | NIL |
| Disclosure of relationship between directors inter-se | Mr. Rajneesh Oswal is brother of Mr. Vishal Oswal and Mr. Kunal Oswal. |
| No. of shares held in the Company | 54,975 (0.40%) |

**By order of the Board
For Shreyans Industries Limited**

**Sd/-
Parminder Singh
Company Secretary
ACS 43115**

**Dated : 23rd May, 2025
Place : Ludhiana
Regd. Office: Village: Bholapur, P.O. Sahabana,
Chandigarh Road, Ludhiana 141 123
CIN: L17115PB1979PLC003994
Tel.: 98761-00948
Email: cs@shreyansgroup.com
Website: www.shreyansgroup.com**

We would like to draw Shareholder's kind attention to the following urgent matters, which require their immediate action:

SEBI, vide its various circulars mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible to lodge grievance or avail any service request from the RTA/Company only after furnishing PAN, KYC details and Nomination and shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1 April, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Accordingly, shareholders are advised to update their KYC on priority.

Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant in case of holding in dematerialized form or to Company's Registrar and Share Transfer Agents through Form ISR-1, ISR-2 and ISR-3 (as applicable) in case of holdings in physical form.

Members holding shares in physical form may file nomination in the prescribed Form SH- 13 with Registrar and Share Transfer Agents or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP.

All forms mentioned above and other relevant information are available on the website of the Company at www.shreyansgroup.com and also available on the website of RTA at www.skylinerta.com/investor-charter.php

All shareholders, who have not yet dematerialized their shares, are also advised to get their shares converted into demat / electronic form.

UNCLAIMED DIVIDEND AND SHARES

Members are requested to note that, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, all unclaimed / unpaid dividends of the Company in respect of financial years 2012-13 to 2016-17 has been transferred to IEPF.

Members who have not encashed their final dividend warrants for the FY 2017-18 or thereafter are requested to write to the Company's Registrar and Share Transfer Agent. Dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, the shares in respect of such unclaimed dividends are also liable to be transferred to the designated Demat account of the Investor Education and Protection Fund (IEPF) Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

DIVIDEND & TDS RELATED INFORMATION

In accordance with the provisions of the Income Tax Act, 1961 as amended read with the provisions of the Finance Act, 2020, w.e.f. 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its member and the Company is required to deduct Tax at Source (TDS) from dividend paid to the members at the applicable rates. As such, whenever dividend is declared an email will be sent to the registered email ID of the members intimating about detailed process to be followed for submission of documents/declarations etc.

ONLINE RESOLUTION OF DISPUTES IN THE INDIAN SECURITIES MARKET

SEBI has established a Common Online Dispute Resolution Portal ("ODR Portal") for the resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

SPECIAL WINDOW FOR RE-LODGE MENT OF TRANSFER REQUESTS OF PHYSICAL SHARES

In terms of SEBI circular dated 2 July, 2025, investors who had lodged transfer deeds in relation to transfer of securities prior to 1 April 2019 and which were rejected/ returned/ not attended due to deficiency in documents/process/ or otherwise may re-lodge such documents with the Company during a period of six months from 7 July, 2025 till 6 January, 2026. The securities that are re-lodged for transfer as mentioned above, if in order, will be issued in demat mode only. Investors may write to the Company or RTA in this regard.

Please note the following **contact details of our RTA** to enable you to submit your PAN/KYC/Nomination/Bank details etc.:

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

(Unit: Shreyans Industries Limited)

Address: D-153/A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi – 110020.

Phone: 011-40450193 to 197 & 26812682-83, E-mail: parveen@skylinerta.com, website: www.skylinerta.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 45th Annual Report on the operational and financial performance of the Company along with Audited Financial Statements for the year ended 31st March 2025.

Financial Performance

(₹ in lakhs)

| PARTICULARS | 2024-25 | 2023-24 |
|-------------------------------------------------------------------------------------|------------------|------------------|
| Revenue from operations | 61,676.63 | 69,916.82 |
| Other Income | 1,781.07 | 3,497.95 |
| Total | 63,457.70 | 73,414.77 |
| Profit before Interest & Financial Charges, Depreciation, Exceptional Items and Tax | 8,733.20 | 13,256.92 |
| Less: Interest & Financial Expenses | 411.59 | 425.36 |
| Less: depreciation | 1,546.78 | 1,357.63 |
| Profit before Tax | 6,774.83 | 11,473.93 |
| Less: Provision for taxation | 1,714.68 | 2,731.88 |
| Profit after taxation | 5,060.15 | 8,742.05 |
| Other comprehensive income/ (loss) [net of tax] | (21.30) | 55.49 |
| Total Comprehensive Income | 5,038.85 | 8,797.54 |

CORPORATE REVIEW

During the year under review, your Company achieved a production of 87250 MTs as against 89466 MTs in the previous year. Total revenue of the Company was ₹634.58 crores against ₹734.15 crores of last year. Profit before interest & financial charges and depreciation stood at ₹87.33 crores. Net profit after tax stood at ₹50.60 crores against ₹87.42 crores of last year. The overall performance of your company in the current year could not match the previous year comparatively mainly due to drop in sales prices and higher proportion of lower GSM paper. The demand and overall market for writing and printing paper remained normal throughout the financial year although profit margins were under pressure during the year under review as compared to last year's profitability.

Your Company renewed its endeavors to maintain its leadership in agro based writing & printing paper segment with the support & cooperation of all stake holders including committed team of professionals & workforce. The Company initiated certain steps for continual improvement in quality, product development and cost optimization on sustainable basis.

The never in sight end of conflicts between Russia-Ukraine and Israel-Palestine and threats of massive tariff war triggered by USA in the last quarter of the financial year had its own cascading effects on the trade and costs although these conflicts & threats did not directly affect the company's performance.

Industry in the present times cannot afford to carry on a sustainable business model by paying lip service to environment and society. The Governments both in Centre and States are making industry aware of its obligations towards energy & water conservation, reducing pollution and emissions for long term sustainability and marching towards safe and inclusive

development.

Your company continues to make efforts within its resources towards environment and socio-economic areas. The Company accords top priority to the safety of its human capital, compliance of environmental obligations and enhancing operational efficiencies for customer delight.

PAPER INDUSTRY

Educational institutions, schools, coaching centers and to some extent public/private sector offices are the major consumption centers and demand generators for writing & printing paper in India as well overseas.

The New Education Policy of Govt of India is now under implementation though gradually provides impetus to demand and growth of writing and printing category. Besides, increasing budgetary allocation for education is going to further boost the demand & growth.

India continues to be the fastest growing market for paper in the world. Overall demand for paper in the country is growing annually at more than 6% backed by high growth of packaging/paper board at 8% and moderate growth of 3% in writing & printing paper and 4.5% in copier paper.

Domestic demand of paper in India continues to witness steady growth every year. However, per capita consumption of Paper in India at about 16kgs is quite less as compared to other Asian countries like Vietnam (33 kg), Thailand (66 kg), China (76 kg) and above 200kgs in other developed countries. In nutshell, India's per capita consumption is considerably lower than the global average of 57-60 kg.

The requirement of good-quality packaging of FMCG/other products marketed through organized retail & e-commerce, demand for daily utility/ hygiene products such as tissue paper, lightweight coated paper, medical grade coated paper, growing manufacturing sector and Government's focus to increase literacy level are expected to be the key drivers for the paper industry in India in near future.

The Government of India's resolve to discourage and minimize use of plastic packing will propel demand for packaging paper which is evident from the fact that many players in the industry have turned to paper oriented packaging especially in food & beverages packaging.

PERFORMANCE REVIEW

The market for paper during the year was average in terms of demand, revenue and profitability. The top line as well bottom line were affected as compared to the previous year on account of higher cost of inputs in India and low priced imports of paper from China and East Asia. The decline of more than 10% in prices of writing and printing paper coupled with higher costs led to lower margins. The unit wise performance of the Company is described as under:

SHREYANS PAPERS

During the fiscal year, the Company significantly improved operations at its unit through the installation of a complete hood, pocket ventilation system, and an upgraded steam and condensate system on the machine. These enhancements contributed to operational efficiency and allowed the Company to maintain its competitiveness by focusing on streamlining processes, reducing costs, and maximizing output.

However, production levels during the year were lower compared to the previous year due to a planned shutdown undertaken for technical upgrades and the installation of new machinery and equipment as mentioned above.

Looking ahead, the Company plans to continue investing in capital expenditures with a focus on de-bottlenecking, enhancing capacity and capabilities, improving productivity, and reducing costs on a year-to-year basis. As part of this strategy, a new Synchro Sheet Cutter is planned to be installed at the unit to improve sheet quality, lower production costs, and enhance overall efficiency.

SHREE RISHABH PAPERS

Total Paper production in this unit was higher as compared to last year's production which was possible on account of increase in machine speed and better working during the year. Complete Automation in Stock Preparation area, New Folio Sheet Cutting machine with auto-counter & other automation features and Bundle Shrink Wrap machines were commissioned during the year. This helped in improving paper quality, chemical cost optimization and better finishing of paper & Packages. A few steps have been taken for improving and streamlining the working in Pulp mill area. It is expected to start giving desired results in the next financial year.

FINANCIAL REVIEW

EQUITY SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2025 was ₹13.82 crores. During the year under review, the Company has neither issued any shares nor granted stock options and nor sweat equity.

FINANCE

An amount of ₹8.18 crores, out of existing term loans and deposits were repaid and fresh term loan of ₹8.00 crores were availed during the year. Overall financial cost relating to borrowings has decreased during the year owing repayment of existing term loans and lesser utilization of working capital.

EXTERNAL CREDIT RATING

During the year under review, CARE Ratings Limited has reviewed the external credit rating for the Long-Term, Short-term Bank facilities and Fixed Deposits of the company and has reaffirmed the rating. The facility wise rating is as under:

| Facilities | Amount (₹/Cr) | Upgraded Rating |
|-----------------------------------------|---------------|----------------------------------------------------------|
| Long Term Bank Facilities | 30.45 | CARE A-; Stable [Single A minus: Outlook: Stable] |
| Short Term Bank Facilities | 55.00 | CARE A2+ [A two Plus] |
| Medium Term instruments- Fixed deposits | 1.46 | CARE A-; Stable (A minus Fixed deposit; Outlook: Stable) |

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

OTHER EQUITY

The Company does not propose to carry any amount to any reserves.

PROPOSED DIVIDEND

The Board of Directors has recommended dividend of ₹3.00/- per equity share and special dividend of ₹2.00/- per equity share amounting to ₹691.23 lakhs for the year 2024-25 in their meeting held on 23rd May 2025. The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax (TDS) at the prescribed rates as per Income Tax Act, 1961 as amended by Finance Act 2020.

DEPOSITS

The Company has not accepted/renewed any deposits from the public during the FY 2024-25. The details relating to deposits as required under Rule 8 of the Companies (Accounts) Rules, 2014 are given hereunder:

- Deposits accepted and renewed during the year: Nil
- Deposits remained unpaid or unclaimed as at the end of the year: Nil
- Any default in repayment of deposits or payment of interest thereon during the year: Nil
- Details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013: Nil

At the end of the year, fixed deposits from the public were outstanding to the tune of Rs. 0.12 crores. There were no overdue deposits as on 31st March 2025.

FUTURE PLANS/PROSPECTS

Proposed Capital expenditure have been discussed while reviewing the performance of both the units. Capital expenditure planned will help the Company in improving its operations in terms of quality along with cost effectiveness.

The demand of paper during the year remained normal but low sales realizations due to competition from low priced imports ruled the market which had its impact on profitability.

We moved into FY26 under almost similar market conditions where both demand and prices are bearish. However, 2-3 months in summer are usually considered lean from demand point of view. As such, demand for paper has become sluggish, forcing the mills to liquidate stocks at further lower prices. This may not have further bearing on results in the current year because input costs are equally supportive. Barring unforeseen circumstances, it can be cautiously forecasted that the FY26 should be equally good if not better for the company. Your company shall continue to focus on improvisation in technology and up gradation of equipment to achieve sustainable growth.

NUMBER OF MEETINGS HELD

The details of Board and Committee/other meetings held in Financial Year 2024-25 are given in the Corporate Governance Report.

DIRECTORS/ KEY MANAGERIAL PERSONNEL

In terms of the provisions of the Companies Act, 2013, Mr. Rajneesh Oswal, Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for reappointment.

During the period under review, Mr. Prem Kumar (DIN: 00051349) ceased to be an Independent Director of the company on completion of his first term of five consecutive years on 12th May, 2024 and Ms. Pratibha Goyal (DIN 07174666) ceased to be an Independent Director of the company on completion of her two consecutive terms on 9th August 2024. The Board places on record its sincere appreciation for the

valuable contribution and guidance provided by Mr. Prem Kumar and Ms. Pratibha Goyal during their association as Independent Directors of the Company.

Based on the recommendations of Nomination and Remuneration Committee and with the approval of members of the Company by way of Postal Ballot on 8th October 2024, Mrs. Shalini Gupta (DIN 07176781) has been appointed as an Independent Director of the Company for her first term of appointment of 5 consecutive years w.e.f. 5th August, 2024 till 4th August, 2029.

All independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149[6] of the Companies Act, 2013 and Regulation 16[1][b] of the SEBI [Listing Obligations & Disclosure Requirements] Regulations, 2015.

There was no change in the Key Managerial Personnel during the year under review.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual evaluation of its own performance and the performance of the individual Directors as well as the working of its committees and expressed its satisfaction over the performance of the Board, its committees and individual Directors. The performance of Directors including the Chairman was evaluated on the basis of their experience, knowledge, Board decisions, participation, availability and attendance and contribution towards the Company. The Independent Directors in their separate meeting held on 5th February, 2025 have reviewed the performance of non-independent directors, Chairman and Board as a whole along with review of quality, quantity and timeliness of flow of information between Board and management and expressed their satisfaction over the same.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure I** to the Board's report.

AUDIT COMMITTEE

The Company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. The composition of the Audit Committee is given in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted the Whistle Blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such

mechanism/policy is also uploaded on the website of the Company.

STATUTORY AUDITORS

At 42nd Annual General Meeting held on 19th August, 2022, M/s SCV & Co. LLP (formerly known as S.C. Vasaudeva & Co.), Chartered Accountant, (FRN : 000235N/N500089), were appointed as statutory auditors of the Company to hold office from 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting.

The Auditors' Report on the accounts of the Company for the year under review requires no comments.

Further, there were no frauds reported by the Statutory Auditors of the Company during the period under review neither under Section 143(12) of the Act nor which are reportable to the Central Government.

COST AUDIT

M/s Rajan Sabharwal & Associates were appointed as Cost Auditors of your Company for auditing the cost accounts records for Financial Year 2024-25 under provisions of Section 148 of the Companies Act, 2013. They are likely to submit Cost Audit Report within the prescribed time limit.

Furthermore, the Board has re-appointed M/s Rajan Sabharwal & Associates as Cost Auditors of the Company for Financial Year 2025-26.

SECRETARIAL AUDIT

M/s P.S. Bathla & Associates, Practising Company Secretaries at Ludhiana, were appointed to conduct the secretarial audit of the Company for Financial Year 2024-25, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The Secretarial Audit Report for Financial Year 2024-25 is appended as an **Annexure II** to the Board's Report.

The Secretarial Auditors' in their report and in Annual Secretarial Compliance Report (Under Regulation 24A of SEBI LODR Regulations, 2015) for year ended 31st March 2025 has marked no observation.

The Board has recommended the appointment of M/s P.S. Bathla & Associates, Practising Company Secretaries, Ludhiana as Secretarial Auditor of the Company for a period of 5 consecutive years, commencing from the financial year 2025-26 to 2029-30, subject to the approval of members of the company.

RELATED PARTY TRANSACTIONS

All Related Party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval.

Since there were no contracts/arrangements/transactions which were not at arm's length basis or material with Related Party during the year; disclosure in form AOC-2 is not applicable.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations.

This Policy as considered and approved by the Board has been uploaded on the website of the Company at <https://www.shreyansgroup.com/investors/corporate-policies>

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 is appended as an **Annexure III** and forms an integral part of this report.

ANNUAL RETURN

A copy of Annual Return for the financial year 2024-25 will be available on the website of the company after submission of the same to the registrar of Companies.

Annual returns of previous years are available on the website of the company.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks through well-defined risk management policy/procedures, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company had laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Financial statements for the year ended 31st March, 2025 have been prepared in accordance with Indian Accounting Standards [Ind-AS], the provisions of the Company Act, 2013, and guidelines issued by the Securities and Exchange Board of India [SEBI]. The Ind-AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies [Indian Accounting Standards] Rules, 2015 and relevant amendment rules issued thereafter.

ASSOCIATES AND SUBSIDIARIES

The Company has no Associates & Subsidiaries as on 31st March, 2025.

CORPORATE GOVERNANCE

As per the provisions of Listing Regulations, a separate Report on Corporate Governance practices followed by the Company together with a Certificate from the Practicing Company Secretary, confirming compliance forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY

ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134[3][m] of the Companies Act, 2013 read with Rule 8 of Companies [Accounts] Rules, 2014 the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is appended as an **Annexure IV** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Shreyans Industries Limited has been positively contributing to the society for over three decades. Corporate Social Responsibility (CSR) remains a key priority for the Company, with dedicated efforts across healthcare, education and skill development, environmental conservation, and sports promotion. In collaboration with various NGOs, the Company continues to focus on expanding access to healthcare, improving educational outcomes, enhancing vocational skills, restoring the environment, and promoting sports development.

Key initiatives undertaken include:

- Organizing eye check-up camps and blood donation drives
- Supporting education for girl children
- Empowering women through targeted skill development programs
- Facilitating access to education for underprivileged children
- Distributing books and stationery to students

These initiatives reflect the Company's commitment to promoting social equity, improving livelihoods, enhancing access to essential services, and fostering environmental stewardship.

During the year, the Company continued its regular monthly and annual support to an eye hospital in Ahmedgarh, contributing towards its operational requirements and facilitating the organization of a free annual eye check-up camp. In addition, financial assistance was provided to several NGOs for conducting blood donation camps, as well as to hospitals to support medical treatment for underprivileged and needy individuals.

For the financial year 2024-25, the Company was required to spend ₹99.03 lakhs towards its CSR obligations. Out of this, an expenditure of ₹54.37 lakhs was incurred during the year. The remaining amount of ₹44.66 lakhs, allocated for ongoing projects, has been transferred to the Unspent CSR Account with a scheduled bank, in accordance with sub-section (6) of Section 135 of the Companies Act, 2013. This amount will be utilized towards projects in the areas of education, healthcare and medical support, and skill development.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business.

MATERIAL CHANGES

There are no material changes or commitments affecting the financial position of the Company have occurred during the year under consideration, or after closure of the financial year till the date of this report.

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

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134[5] of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) The directors had devised proper systems to ensure compliance with the provisions all applicable laws and that such systems were adequate and operating effectively.

GENERAL DISCLOSURES

1. The Company has complied with the applicable Secretarial Standards, issued by The Institute of Company Secretaries of India.
2. As on the date of this report, no application is pending against the Company under the Insolvency and Bankruptcy Code, 2016 and the Company did not file any application under IBC.
3. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.
4. The Company has already complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). There were no complaints/cases reported with internal complaints committee formed under the POSH Act.
5. The Independent Directors fulfil the conditions specified in the Act and the rules made there under for appointment as

IDs including integrity, expertise, experience and proficiency and confirm that they are independent of the management. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA).

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the contributions made by the employees through their dedication, hard work and commitment in achieving your Company's performance. In an increasingly competitive environment collective dedication of employees is delivering superior and sustainable shareholder value.

The Board has pleasure in recording its appreciation of the assistance, co-operation and support extended to the Company by the Government Authorities, Commercial Banks, Financial Institutions and Depositors.

The Board also places on record its sincere appreciation towards the Company's valued customers, vendors, shareholders and investors for their continued support to the Company.

For and on Behalf of the Board

Sd/-

Rajneesh Oswal

Chairman & Managing Director

(DIN : 00002668)

Place : Ludhiana

Date : 23rd May, 2025

Annexure I**NOMINATION AND REMUNERATION POLICY**

The Key provisions of the Nomination and Remuneration policy are given below:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The Nomination and Remuneration policy for executives reflects the remuneration philosophy and principles of the Shreyans Group. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals. The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Nomination and Remuneration policy is guided by common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance. Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Shreyans. In determining packages of remuneration, the Committee may consult with the Chairman/Managing Director as appropriate.

Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.

The Company may grant any advance salary/loan to employees of the Company at concessional/Nil interest rates as it deems fit subject to tax laws.

The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Chairman & Managing Director and/or Vice-Chairman & Managing Director and/or Executive Director by way of Board Resolution.

The appointment letters of all Sr. Management Personnel,

KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

Annexure II**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025**

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

To,

The Members,
Shreyans Industries Limited
Vill. Bholapur, P. O. Sahabana
Chandigarh Road, Ludhiana-141123

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the **Financial Year 1st April, 2024 to 31st March, 2025** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Shreyans Industries Limited** ("the Company") for the financial year ended on **31st March, 2025** according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the rules made there under;
 - II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable as the Company has not issued any shares during the year under review**)

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable as the Company has not issued any shares/options to directors/employees under the said guidelines/regulations during the year under review)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued Debt Securities during the Audit Period under review)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer agent during the Financial Year under review)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period as there was no event in this regard)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review)**

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

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

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

2.1, further report that

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

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For P S Bathla & Associates

Parminder Singh Bathla
Company Secretary

Place : Ludhiana **FCS No. 4391**
Dated : 23rd May, 2025 **C.P No. 2585**
UDIN : F004391G000406342 **Peer Review No. 1306/2021**
SCO-6, Feroze Gandhi Market, Ludhiana

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

'Annexure A'

To,
The Members,
Shreyans Industries Limited
Vill. Bholapur, P.O. Sahabana
Chandigarh Road, Ludhiana-141123

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

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

For P S Bathla & Associates

Parminder Singh Bathla
Company Secretaries

Place : Ludhiana **FCS No. 4391**
Dated : 23rd May, 2025 **C.P No. 2585**
Peer Review No. 1306/2021
SCO-6, Feroze Gandhi Market, Ludhiana

Annexure III

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

The information required pursuant to Section 197 read with Rule 5 of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company and Directors is furnished hereunder:

1 (i)

| Name of the Director/KMP and Designation | Remuneration in Fiscal 2025 (₹ in lakhs) | % Change in remuneration from previous year | Ratio of Remuneration to MRE# |
|-------------------------------------------------------|------------------------------------------|---------------------------------------------|-------------------------------|
| Rajneesh Oswal (Chairman and Managing Director) | 690.06 | (6.24) | 213.40 |
| Vishal Oswal (Vice-Chairman and Managing Director) | 690.06 | (6.24) | 213.40 |
| Kunal Oswal (Whole Time Director) | 68.03 | 23.82 | 21.04 |
| R K Mahajan (Chief Financial Officer) | 23.27 | 3.84 | 7.20 |
| Parminder Singh (Company Secretary) | 8.58 | 30.38 | 2.65 |

Note: For this purpose, sitting fees paid to the Directors has not been considered as remuneration.

#MRE-Median Remuneration of Employee based on annualized salary

- (ii) The median remuneration of employees of the Company during the financial year was ₹3.23 lakhs p.a;
- (iii) In the financial year, there was increase of 7.15% in the median remuneration of employees;
- (iv) There were 1373 permanent employees on the rolls of the Company as on 31st March, 2025;
- (v) Average percentile change in the salaries of employees other than the managerial personal in the financial year i.e. 2024-25 was 7.79% whereas the percentile change in the managerial remuneration for the same financial year was (5.07)%.
- (vi) it is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

2 Details of top ten employees in terms of remuneration:

| Name of Employee | Designation of the employee | Remuneration received ₹ in lakhs | Qualifications | Experience (No. of Years) | Date of Commencement of employment | Age (years) | The last employment held by such employee before joining the Company | %age of equity shares held by the employee in the Company | Whether relative of any Director or Manager of the Company |
|------------------|-------------------------------------|----------------------------------|----------------|---------------------------|------------------------------------|-------------|----------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|
| Rajneesh Oswal | Chairman and Managing Director | 690.06 | MBA from USA | 36 | 30-06-1989 | 59 | Executive Director Adinath Textiles Limited | 0.40% | Rajneesh Oswal, Vishal Oswal and Kunal Oswal are real brothers |
| Vishal Oswal | Vice Chairman and Managing Director | 690.06 | B.Com | 30 | 03-08-1995 | 53 | --- | 0.35% | |
| Kunal Oswal | Whole Time Director | 68.03 | B.Com | 28 | 29-01-2007 | 51 | --- | 0.62% | |

| Name of Employee | Designation of the employee | Remuneration received ₹ in lakhs | Qualifications | Experience (No. of Years) | Date of Commencement of employment | Age (years) | The last employment held by such employee before joining the Company | %age of equity shares held by the employee in the Company | Whether relative of any Director or Manager of the Company |
|--------------------|-----------------------------|----------------------------------|----------------------------------|---------------------------|------------------------------------|-------------|----------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|
| Ashok Kumar Goyal | President | 48.10 | B.Com LLB, DBM FCS, MEP | 42 | 09-04-2018 | 65 | Vardhman Polytex Limited | --- | No |
| Arun Kumar Kapoor | Sr. Vice President | 40.30 | B.Com F.C.A | 45 | 01-11-1987 | 67 | Arihant Fabrics Ltd. | --- | No |
| Sandeep Kumar Jain | Vice President | 37.93 | P.G. Diploma (Pulp & Paper) | 32 | 21-11-2022 | 55 | Silverton Pulp & Paper (P) Ltd. | --- | No |
| Amit Arora | Senior General Manager | 34.32 | B.Com, C.A. | 25 | 07-01-2013 | 47 | Vardhman Special Steels Ltd. | --- | No |
| Krishan Lal Sharma | Senior General Manager | 30.83 | BOE, Diploma (Mechanical) | 44 | 16-02-2008 | 64 | Ballarpur Industries Limited | --- | No |
| Hitesh Chadha | Senior General Manager | 24.97 | B.Tech (Hons) | 30 | 05-02-2024 | 53 | DSG Paper (P) Ltd. | --- | No |
| Pawan Kumar Sharma | Senior General Manager | 24.11 | B.A. Diploma in Prtg. Technology | 32 | 01-06-1993 | 58 | --- | --- | No |

Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹1,02,00,000 per annum.

| Name of Employee | Designation of the employee | Remuneration received ₹ in lakhs | Qualifications | Experience (No. of Years) | Date of Commencement of employment | Age (years) | The last employment held by such employee before joining the Company | %age of equity shares held by the employee in the Company | Whether relative of any Director or Manager of the Company |
|------------------|-------------------------------------|----------------------------------|----------------|---------------------------|------------------------------------|-------------|----------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|
| Rajneesh Oswal | Chairman and Managing Director | 690.06 | MBA from USA | 36 | 30-06-1989 | 59 | Executive Director, Adinath Textiles Limited | 0.40% | Rajneesh Oswal, Vishal Oswal and Kunal Oswal are real brothers |
| Vishal Oswal | Vice-Chairman and Managing Director | 690.06 | B.Com | 30 | 03-08-1995 | 53 | -- | 0.35% | |

None of the Employee was employed for a part of the financial year and separated, who were in receipt of remuneration at the rate of not less than ₹8,50,000/- per month.

Annexure IV

INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE REPORT OF THE BOARD OF DIRECTORS

A) CONSERVATION OF ENERGY

Energy Conservation is an ongoing process in the Company. New areas of power savings are continuously identified and action being taken wherever feasible. The Company continued its efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

(i) Steps taken or impact on conservation of energy:

- Optimization of Power and Steam efficiency by providing Steam and condensate system, Closed Hood and Pocket ventilation system.
- LED light installation in Plant area.
- Thermal Energy saving by insulation of Steam line of Recovery Plant and process pipelines.
- Power saving by replacements of electrical motors by energy efficient motors.

ii) Steps taken for utilising alternate sources of energy:

- Generation of biogas from waste to meet process heating requirements.

(iii) Capital investment on energy conservation equipment during the year: NIL

B) TECHNOLOGY ABSORPTION

Your company is keeping a close eye on the new product development in paper and up-gradation of technology in existing products. Upgradation and automation in various areas of plant and machinery is continuously carried out.

(i) Efforts made towards technology absorption:

- Closed Hood, pocket ventilation system, steam and condensate system installed at Paper Machine at Unit Shreyans Papers.
- New rewinder commissioned at Unit : Shree Rishabh Paper

ii) Benefits derived:

The initiatives have enabled the Company in terms of product & quality improvement, cost reduction, reduced breakdown.

- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

| Sr. No. | a. Details of Technology | b. Year of Import |
|---------|-----------------------------------------|-------------------|
| 1 | Steam and condensate system. | 2023-24 |
| 2 | Paper Machine Hood & Pocket Ventilation | 2023-24 |

c. whether the technology has been fully absorbed: No

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof- Capital Work in Progress

- iv) Details of Expenditure on Research and Development are given in Note no. 50 to Financial Statements.

C. FOREIGN EXCHANGE EARNING AND OUTGO

Details of expenditure in foreign exchange and earnings in foreign exchange are given below:

₹ In lakhs

Expenditure in Foreign Exchange **4,039.77**

Earnings in Foreign Exchange **Nil**

Annexure V: Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

Shreyans Group is a responsible Corporate Citizen and would continue to make a serious endeavour for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives and focus on education, environment, health care and other social causes.

2. Composition of the CSR Committee:

| Sr. No. | Name of the Director | Designation / Nature of Directorship | No. of Meetings of CSR Committee held during the year | No. of Meetings of CSR Committee attended during the year |
|---------|------------------------------------------|--------------------------------------|-------------------------------------------------------|-----------------------------------------------------------|
| 1 | Rajneesh Oswal | Chairperson, Executive | 1 | 1 |
| 2 | Vishal Oswal | Executive | 1 | 1 |
| 3 | Prem Kumar (upto 12th May, 2024) | Independent, Non- Executive | 1 | 1 |
| 4 | Ravinder Kumar | Independent, Non- Executive | 1 | 1 |
| 5 | Krishan Sethi (w.e.f. 10th May, 2024) | Independent, Non- Executive | 1 | --- |

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

<https://www.shreyansgroup.com/investors/csr>

4. Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: NotApplicable

(₹ in lakhs)

| | | | |
|----|-----|-----------------------------------------------------------------------------------------------------|---------|
| 5. | (a) | Average net profit of the company as per sub-section (5) of section 135 | 5978.48 |
| | (b) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 119.57 |
| | (c) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | NIL |
| | (d) | Amount required to be set off for the financial year, if any | 20.54 |
| | (e) | Total CSR obligation for the financial year [(b)+ (c) – (d)] | 99.03 |

6. (₹ in lakhs)

| | | |
|-----|------------------------------------------------------------------------------------|----------------|
| (a) | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | 54.37 |
| (b) | Amount spent in Administrative Overheads | NIL |
| (c) | Amount spent on Impact Assessment, if applicable | Not Applicable |
| (d) | Total amount spent for the Financial Year [(a)+(b) +(c)]: | 54.37 |

(e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (₹ in lakhs) | Amount Unspent (₹ in lakhs) | | | | |
|--------------------------------------------------------|---------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135. | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135 | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 54.37 | 44.66 | 28-04-2025 | Not Applicable | | |

(f) Excess amount for set off, if any (₹ in lakhs)

| | | |
|-------|-------------------------------------------------------------------------------------------------------------|-------|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 99.03 |
| (ii) | Total amount spent for the Financial Year | 54.37 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | NIL |
| (iii) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | NIL |
| (iv) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | NIL |

7. Details of Unspent CSR amount for the preceding three Financial Years: (₹ in lakhs)

| Sr. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135 (6) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any | | Amount remaining to be spent in succeeding Financial Years | Deficiency if any |
|---------|--------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------|-------------------|
| | | | | | Amount | Date of transfer | | |
| Nil | | | | | | | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/ acquired: NotApplicable

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sr. No. | Short Particulars of the property or asset(s) {including complete address and location of the property} | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/Authority/beneficiary of the registered owner | | |
|----------------|---------------------------------------------------------------------------------------------------------|-------------------------------------|------------------|----------------------------|-----------------------------------------------------------------|------|--------------------|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| | | | | | | | |
| Not Applicable | | | | | | | |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: As per the provisions of Section 135 of the Companies Act 2013, the company has transferred an unspent amount of ₹44.66 Lacs pertaining to ongoing projects to Unspent CSR Account of financial year 2024-25.

(Sd/-)

RAJNEESH OSWAL

CHAIRMAN & MANAGING DIRECTOR

(CHAIRMAN-CSR COMMITTEE)

Place : Ludhiana

Dated : 23rd May, 2025

(Sd/-)

VISHAL OSWAL

VICE-CHAIRMAN & MANAGING DIRECTOR

(MEMBER-CSR COMMITTEE)

Place : Ludhiana

Dated: 23rd May, 2025

MANAGEMENT DISCUSSIONS AND ANALYSIS

Your company is a Public Limited entity established in the year-1979 and is engaged in the manufacturing of Writing and Printing Paper with present capacity of 94,000 MTs per annum. The manufacturing units are situated at two locations-- (i) Ahmedgarh, District Malerkotla, Punjab and (ii) Village Banah, District S.B.S. Nagar, Punjab.

India ranks in the first five largest producers of paper globally & contributes to roughly 5% of the paper demand in the world. Paper industry in the country having approximately 900 mills on record is composed of capacity ranging from 15-20 MTs per day to 1000 MTs plus per day. Out of this, nearly 400 mills are not operational. While total annual installed capacity is estimated at 29.2 Million Tons approximately but the operating capacity at present is estimated at 24-25 million tons per annum. Considering estimated capacity utilization at 90% plus, production of paper, paper board and newsprint is estimated at 23 million tons/year which almost matches the domestic consumption. Imports of paper at 3.03 million tons/year during this year (3.05 million tons in the year 2023-24) are far ahead of exports at 1.65 million ton/year. Coated grade paper and writing-printing paper imports at competitive prices have significantly surged during the last year as well as current year.. Based on the raw material used, Paper Mills are divided into three categories namely wood-based, agro-based and waste paper based [recycled fiber]. Your Company uses agro residues, viz. wheat straw, kangaroo grass, baggase as the primary raw material. In the country, Waste paper based mills contribute about 75% of paper production of which nearly 65% (Approx. 15 Million tons/year) happens to be Packaging and paper board segment. Agro based mills contribute nearly 6% and the remainder comes from wood based mills.

Newsprint, Writing and Printing papers, Packaging, Paper Boards for packaging applications, Tissue Papers & other Specialty Paper are broad categories of papers manufactured in the country. The demand for writing & printing paper in domestic market continues to be normal with of course ups & downs of peak and lean seasons. Packaging paper & paper board segment is growing at a faster pace due to demand for packaging from e-commerce, food and food products, FMCG and the pharmaceutical sector.

The global paper industry's growth at a compounded annual rate of around 1.0% is quite less which is also largely due to packaging segment. The Indian paper market is the fastest growing market mainly on account of packaging and paper board segment. The domestic market for writing & printing paper is s growing at about 3% year on year although in long run, its prospective may not be as bullish as it used to be historically. Market share of these categories has come down to less than 30% in the last decade while packaging and paper board's share has increased to 65%. The paper consumption in India is likely grow @ 6-7 % annually and may reach around 30 million tons in the next 5 years. This is likely to occur mainly due to emphasis on education and literacy, phenomenal growth in organized retail/e-commerce. The paper industry holds immense potential for growth in India as its per capita consumption is one of the lowest at 15 kgs as against world's average of around 57-60kgs. Single use plastic manufacturing is one of the major source of gas emissions and harmful for environment. It, being under active radar of the Government, is giving way to paper based packaging. Government policy for abolishing plastic is expected to gradually create more avenues for paper specially packaging sector.

There are always some challenges for the paper industry to develop new products, innovate and transform for green manufacturing. Sustainability in terms of capability to innovate, adapt and transform from time to time is the order of the day. All this apart obligations towards environment and society at large will have its own impact on the overall operational viability.

One of the main challenges for the Paper industry is required availability of raw materials at normal prices. India by & large is deficient of fibre, be it is wood, agricultural residue or recycles fiber/waste paper. Raw material is a major cost component for production of paper. This lone component adversely affects the cost competitiveness of the Indian Industry as compared to others competing countries.

The paper industry is working in the direction of adopting innovative technologies which could enable it to increase the production with better efficiencies. With more emphasis on proper utilization of agro-residuals which are traditionally burnt, the availability of agricultural residues can be further improved for the paper industry.

FINANCIAL PERFORMANCE AND ANALYSIS

The discussions in this section relate to the financial results pertaining to the year ended March 31, 2025 prepared in accordance with the Indian Accounting Standards [referred to as 'Ind AS'] prescribed under section 133 of the Companies Act, 2013, read with the Companies [Indian Accounting Standards] Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements.

The following table gives an overview of the financial results of the Company.

(₹ in lakhs)

| | Year ended 31 March 2025 | % of Revenue | % Growth/(Fall) | Year ended 31 March 2024 | % of Revenue |
|------------------------------------------------------------------------------------|-----------------------------|-----------------|--------------------|-----------------------------|-----------------|
| Revenue from operations | 61,676.63 | 100.00% | (11.78)% | 69,916.82 | 100.00% |
| Earnings before interest, tax, depreciation and amortisation (before other income) | 6,952.13 | 11.27% | (28.76)% | 9,758.97 | 13.96% |
| Profit Before Tax (PBT) | 6,774.83 | 10.98% | (40.95)% | 11,473.93 | 16.41% |
| Profit after tax attributable to shareholders of the Company | 5,038.85 | 8.17% | (42.72)% | 8,797.54 | 12.58% |
| Earnings per share (in ₹) | 36.60 | - | - | 63.24 | - |

KEY FINANCIAL RATIOS

In accordance with the SEBI [Listing Obligations and Disclosure Requirements 2018] [Amendment] Regulations, 2018, the Company is required to give details of significant changes [change of 25% or more as compared to the immediately previous financial year] in key financial ratios. The Company has identified the following ratios as key financial ratios:

| | Unit | Year ended 31 March 2025 | Year ended 31 March 2024 | % Change |
|---------------------------------|-------|-----------------------------|-----------------------------|----------|
| Return on Equity Ratio | % | 12.50 | 25.53 | (51.04) |
| Debt Service Coverage Ratio | Times | 4.99 | 7.50 | (33.47) |
| Interest Service Coverage Ratio | Times | 19.05 | 30.11 | (36.73) |
| Return on Capital Employed | % | 14.81 | 27.58 | (46.30) |
| Return on Investment | % | 8.45 | 18.82 | (55.10) |
| Net Profit Ratio | % | 10.98 | 16.41 | (33.09) |

RATIOS WHERE THERE HAS BEEN A SIGNIFICANT CHANGE AS COMPARED TO PREVIOUS YEAR

Decrease in operational profit resulted in downfall in debt service coverage ratio and interest service coverage ratio. Decrease in profit after tax resulted in downfall in return on equity. Lower operational profit & investment gain resulted in decrease in net profit ratio, return on capital employed and return on investment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well defined internal control system that corresponds to the size, scope and complexities of its activities. The Company takes abundant care to design, review and monitor the working of its internal control system. Internal controls are also in place to guarantee that all assets are safeguarded and protected against loss due to unauthorized use or disposition, and that transactions are properly authorized, recorded, and reported. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The human resources development function of the Company is guided by a strong set of values and policies. Your company strives to provide the best work environment with ample opportunities to grow and explore. Your company maintains a work environment that is free from undue stress and harassment. Company enjoys excellent relationship with its personnel and considers them as an essential part of the organization.

Development and well-being of people working for the Company has been a corner stone of the management policy. This is reflected through very low employees' turnover at all levels including workers, staff, officers and managers. Company lays special emphasis on staff training and retraining through internal workshops and also nominating staff/officers to various training programs. The total number of permanent employees in the Company is 1373 as on 31st March, 2025. The employee relations continue to be cordial and harmonious at all the locations of the Company.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The CSR programmes of the Company are aimed at inclusive development and welfare of the local community by carrying out activities primarily related to promoting health care, promoting education and skill development. The company has identified several projects in the local surrounding areas to enhance community welfare. The Company partnered with several NGOs to foster skill development among women/ freshers and enhance their employability, create positive change for education, healthcare and rural development etc. The Company continued providing free notebooks and educational material, as well financial assistance to various students to pursue further education. As the company believes strongly in education being the means to better living for people and thereby adding to the nation's development.

OUTLOOK

The paper industry has managed successfully all global or indigenous crisis during the last few years. The industry has recovered well from local issues and global disturbances caused by conflicts between some countries from time to time.

Some noticeable facts such as rapid urbanization, increase in disposable income and sustainable trends augur well for the paper industry in the country. After achieving good performance during the last few financial years, we hope to continue the journey in FY 2025-26 too. Implementation of National Education Policy (NEP) 2020 and Samagra Shiksha Scheme along with other measures by Indian Government in field of education & literacy should lend considerable boost to the demand for writing and printing paper.

Thrust on reducing/eliminating the use of single use plastic is going to support sustainable products such as paper. In recent years, India has become one of the large consumers of paper and paper board products though per capita consumption in India is much lower than world's average. Although packaging is leading the growth story yet writing & printing paper is also proliferating due to increasing business activity and development of education sectors. The market size for writing & printing paper is quite good but not as big as the packaging segment. Thus domestic market opportunities are quite promising and healthy. Further cost of manufacturing in India is quite competitive as compared to China which may help India gain and corner major chunk of global demand.

CAUTIONARY STATEMENT

Statements in this report on Management discussion and analysis relating to the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events.

Statements in this report on Management discussion and analysis relating to the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events.

REPORT ON CORPORATE GOVERNANCE**1. Company's philosophy of Corporate Governance**

At Shreyans, we believe that Corporate Governance is a powerful medium of serving the long term interests of all the stakeholders. The Company seeks to achieve the goal by ensuring that timely and accurate disclosures are made in an easily understood manner on all matters relating to the financial situation, performance, ownership and governance of the Company.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under listing regulations. The Company has adopted a Code of Conduct for members of the Board and senior management and the same has been posted on the website of the Company. All Directors and other officials have affirmed in writing their adherence to the above code.

2. Board of Directors**(a) Composition**

The Company has an Executive Chairman and the number of independent directors is not less than half of the total strength of the Board. The Company has complied with the requirements of listing regulations in respect of composition of Board of Directors. None of the independent directors have any pecuniary relationship (except sitting fee) or transactions with the company.

(b) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):

| Name of the Director | DIN | Category of Directorship | No. of Board Meetings attended | Attendance at the last AGM |
|--------------------------------------------------------------------|----------|-------------------------------|--------------------------------|----------------------------|
| Rajneesh Oswal Chairman & Managing Director | 00002668 | Promoter & Executive Director | 4 | Yes |
| Vishal Oswal Vice-Chairman & Managing Director | 00002678 | Promoter & Executive Director | 4 | Yes |
| Kunal Oswal Whole time Director | 00004184 | Promoter & Executive Director | 4 | Yes |
| Ravinder Kumar Independent Director | 09733167 | Non-Executive Director | 4 | Yes |
| Krishan Sethi Independent Director | 00157646 | Non-Executive Director | 2 | No |
| Shalini Gupta Independent Director (w.e.f. 5th August, 2024) | 07176781 | Non-Executive Director | 2 | NA |
| Prem Kumar Independent Director (upto 12th May, 2024) | 00051349 | Non-Executive Director | 1 | NA |
| Pratibha Goyal Independent Director (upto 9th August, 2024) | 07174666 | Non-Executive Director | 2 | Yes |

(c) Number of Companies or Committees in which the Director of the Company is a Director/Member/Chairman: -

| Name of the Director | No. of Directorships in all public companies* | Membership of the Board Committees in all Public Companies** | Chairmanship of the Board Committees in all Public Companies** | Directorship in other listed entity and category |
|----------------------|-----------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rajneesh Oswal | 2 | 3 | --- | Adinath Textiles Ltd. (Chairman & Managing Director) |
| Vishal Oswal | 2 | 2 | --- | Adinath Textiles Ltd. (Vice-Chairman & Managing Director) |
| Kunal Oswal | 1 | --- | --- | --- |
| Ravinder Kumar | 3 | 5 | 3 | 1. Shreyans Financial and Capital Services Ltd. 2. Adinath Textiles Limited (Non-Executive Independent Director in all above listed Companies) |
| Krishan Sethi | 4 | 3 | 0 | 1. Shreyans Financial and Capital Services Ltd. 2. Adinath Textiles Limited (Non-Executive Independent Director in all above listed Companies) |
| Shalini Gupta | 1 | 2 | 2 | --- |

- * including Shreyans Industries Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under section 8 of the Companies Act, 2013.
- ** Board Committee for this purpose includes Audit Committee and Stakeholder's Relationship Committee of Public Limited companies (including committees of Shreyans Industries Ltd.)
- (d) Four Board Meetings were held during the Financial Year 2024-25 on 10th May 2024, 5th August 2024, 7th November 2024 and 5th February 2025.
- (e) The Board of Shreyans Group is comprises of qualified members bringing the required skills, expertise and competence to give fruitful contributions to achieve highest standards of Corporate Governance. The Board has identified the following skills/ expertise/competencies fundamental for the effective functioning of the Company.

| | |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Business Dynamics & Leadership | Understanding of business dynamics, across various markets, industry verticals and regulatory jurisdictions. |
| Strategy and Planning | Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. |
| Governance | Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values. |

| DIRECTORS AS ON 31ST MARCH 2025 | Attributes | | |
|---------------------------------|--------------------------------|-----------------------|------------|
| | Business Dynamics & leadership | Strategy and Planning | Governance |
| Rajneesh Oswal | ✓ | ✓ | ✓ |
| Vishal Oswal | ✓ | ✓ | ✓ |
| Kunal Oswal | ✓ | ✓ | ✓ |
| Ravinder Kumar | ✓ | ✓ | ✓ |
| Shalini Gupta | ✓ | ✓ | ✓ |
| Krishan Sethi | ✓ | ✓ | ✓ |

(f) The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations and are independent of the management.

During the year all the relevant information required was placed before the Board and decisions taken at the Board Meeting are promptly communicated to the concerned Unit(s)/ Department(s). Actions taken on the decisions on the previous meeting are reported at the succeeding meeting of the Board. Board periodically reviews the compliance of various laws and regulations applicable to the company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgment etc.

Board Familiarization Programme

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the compliance required from him/her under the Companies Act, 2013, Listing Regulations and other relevant laws/regulations.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his/her role as Director of the Company. The details of familiarization programmes have been posted on the website of the Company.

3. Audit Committee

i. Terms of Reference:

The Company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations.

All the financial statements of the Company are first reviewed by the Audit Committee before presentation to the Board of Directors. The Audit committee discusses the reports of Statutory Auditors, Internal Auditors, Secretarial Auditors as well as Cost Auditors of the

company. The appointment of Statutory, Secretarial and Cost Auditors are recommended by the Audit Committee. It also reviews the Company's financial and risk management policies, management discussion and analysis of financial condition, results of operations and statement of significant related party transactions at periodic basis including omnibus approval and review thereof.

ii. Composition, Name of Members, Chairperson and attendance:

| Name of Member | Designation | Meetings Attended |
|--------------------------------------------|-------------|-------------------|
| Shalini Gupta (w.e.f. 5th August, 2024) | Chairperson | 2 |
| Krishan Sethi (w.e.f. 10th May, 2024) | Member | 2 |
| Ravinder Kumar | Member | 4 |
| Rajneesh Oswal | Member | 4 |
| Pratibha Goyal (upto 5th August, 2024) | Chairperson | 2 |
| Prem Kumar (upto 12th May, 2024) | Member | 1 |

iii. Four Meetings of the Audit Committee were held during Financial Year 2024-25 on 10th May 2024, 5th August 2024, 7th November 2024 and 5th February 2025.

The Company Secretary acts as Secretary to the Committee.

4. Nomination and Remuneration Committee

i. Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Companies Act, 2013 and Listing Regulations.

ii. Composition, Name of Members, Chairperson and attendance:

Three meeting of the Nomination and Remuneration Committee were held during the Financial Year 2024-25 on 10th May, 2024, 5th August, 2024 and 5th February, 2025.

| Name of Member | Designation | Meetings Attended |
|--------------------------------------------|-------------|-------------------|
| Shalini Gupta (w.e.f. 5th August, 2024) | Chairperson | 1 |
| Krishan Sethi (w.e.f. 10th May, 2024) | Member | 1 |
| Ravinder Kumar | Member | 3 |
| Pratibha Goyal (upto 5th August, 2024) | Chairperson | 2 |
| Prem Kumar (upto 12th May, 2024) | Member | 1 |

The Company Secretary acts as Secretary to the Committee.

iii. Nomination and Remuneration Policy

The Nomination and Remuneration policy of the Company is designed to attract, motivate and retain manpower in competitive market. The Key provisions of such policy are given in Board's Report.

iv. Remuneration of Directors

A. Executive Directors

(₹ in lakhs)

| Name and Designation | Remuneration | | | | |
|---------------------------------------------------|--------------|----------------|----------------|------------|--------|
| | Basic Salary | Provident Fund | Other Benefits | Commission | Total |
| Rajneesh Oswal Chairman & Managing Director | 497.70 | 7.20 | 2.29 | 182.87 | 690.06 |
| Vishal Oswal Vice-Chairman & Managing Director | 497.82 | 7.20 | 2.17 | 182.87 | 690.06 |
| Kunal Oswal Whole time Director | 58.80 | 7.06 | 2.17 | --- | 68.03 |

The appointment of Executive Directors is governed by the resolution passed by Board of Directors and the Member of the Company and the agreement entered into with the Company, which cover the terms and conditions of such appointment. The Executive Directors are not paid any sitting fees for attending any meetings of the Board of Directors or Committees thereof.

B. Non- Executive Directors

The Non-Executive Directors are paid the sitting fee or reimbursement of out of pocket expenses incurred by them for attending the meeting of Board or any committee thereof. The sitting fee amount is within the limits prescribed under the Companies Act, 2013 and rules made there under. No other payment is made to any of the Non-executive Director. No stock option has been given to any of the Directors, including Executive Directors.

(₹ in lakhs)

| Name | Sitting Fees for Board Meetings | Sitting Fees for Committee Meeting /s | Total |
|----------------|---------------------------------|---------------------------------------|-------|
| Ravinder Kumar | 0.80 | 0.60 | 1.40 |
| Krishan Sethi | 0.40 | 0.25 | 0.65 |
| Shalini Gupta | 0.40 | 0.25 | 0.65 |
| Prem Kumar | 0.20 | 0.20 | 0.40 |
| Pratibha Goyal | 0.40 | 0.30 | 0.70 |

5. Stakeholders Relationship Committee

The Board has formed an investors' Grievance Committee named as Stakeholder's Relationship Committee to specifically look into the Redressal of investors' complaint like transfer of shares, non-receipt of balance sheet or non-receipt of credit of shares into the De-mat account etc. The committee also approves issue of duplicate share certificate(s)/letter of confirmation and other related matters.

Meetings of Stakeholder Relationship Committee held on following dates during financial year ended 31st March, 2025:

i. Composition

| Name of Member | Designation | Meetings Held | Meetings Attended |
|--------------------------------------------|-------------|---------------|-------------------|
| Shalini Gupta (w.e.f. 5th August, 2024) | Chairperson | 4 | 2 |
| Rajneesh Oswal | Member | 4 | 4 |
| Vishal Oswal | Member | 4 | 4 |
| Pratibha Goyal (upto 5th August, 2024) | Chairperson | 4 | 2 |

ii. Mr. Parminder Singh, Company Secretary is the compliance officer and acts as secretary to the committee(s). The Company has designated the email id cs@shreyansgroup.com for the purpose of registering complaints by investors electronically. The email id is displayed on the company's website.

iii. The details regarding the investor's complaints are as under:

| Particulars | Number of Complaints | Particulars | Number of Complaints |
|--------------------------|----------------------|--------------------------|----------------------|
| Pending as on 01.04.2024 | 0 | Resolved during the year | 06 |
| Received during the year | 06 | Pending as on 31.03.2025 | 0 |

6. Corporate Social Responsibility

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has constituted "Corporate Social Responsibility Committee." One meeting of the Corporate Social Responsibility Committee was held during the Financial Year 2024-25 on 10th May 2024.

The composition of the committee as at March 31, 2025 and details of member's participation at the meeting of the committee are as under:

| Name of Member | Designation | Meetings Held | Meetings Attended |
|---------------------------------------------------|-------------|---------------|-------------------|
| Rajneesh Oswal Chairman & Managing Director | Chairman | 1 | 1 |
| Vishal Oswal Vice-Chairman & Managing Director | Member | 1 | 1 |

| Name of Member | Designation | Meetings Held | Meetings Attended |
|---------------------------------------------------------------|-------------|---------------|-------------------|
| Krishan Sethi (w.e.f. 10th May, 2024) Independent Director | Member | 1 | --- |
| Ravinder Kumar Independent Director | Member | 1 | 1 |
| Prem Kumar (upto 12th May, 2024) Independent Director | Member | 1 | 1 |

The Company Secretary acts as Secretary to the Committee.

7. Independent Director's Meeting

During the year, the Independent Directors met on 5th February, 2025 to:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non- Executive Directors.
- Evaluate the quality, quantity and timeliness of flow of information between the Company Management and the board that is necessary for the Board to effectively and reasonably their duties.

8. General Body Meetings

(i) Location and time where last three Annual General Meetings were held:

| Financial Year | Date of A.G.M. | Time | Venue | No. of Special Resolution Passed |
|----------------|-------------------------------|------------|-------------------------------------------------------------------------------------------------|----------------------------------|
| 2023-24 | 5 th August, 2024 | 11.00 A.M. | Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123 | --- |
| 2022-23 | 10 th August, 2023 | 11.00 A.M. | Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123 | 5 |
| 2021-22 | 19 th August, 2022 | 11.00 A.M. | Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123 | 1 |

9. Disclosures

- The details of related party transactions are placed before Audit Committee and these are disclosed in the Notes on Account to the Balance Sheet. For the year 2024-25, there was no transaction of material nature with related parties, which are not in the normal course of business.
- The Company is in compliance with the requirements of the Stock exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the last three years. The company has complied with all mandatory requirements of Listing Regulations on corporate governance. The company has followed accounting treatment as prescribed in Indian Accounting Standards applicable to the Company. There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to the above.
- The Company has a Whistle Blower Policy in place for employees to report concerns about unethical behavior. No personnel have been denied to approach the Management or the Audit Committee on any issue.
- Mr. Rajneesh Oswal, Chairman & Managing Director, Mr. Vishal Oswal, Vice Chairman & Managing Director and Mr. Kunal Oswal, Whole Time Director, are real brothers. No other director is having any relationship with each other.
- All the necessary disclosures/policies/codes/intimations etc. under the Companies Act, 2013, SEBI (LODR) Regulations, as amended from time to time and other enactments etc. are uploaded under separate section "INVESTORS" on website of the Company i.e. www.shreyansgroup.com.

10. Means of Communication

| | | |
|-----|----------------------------------------------------------------------|------------------------------------------------------------------|
| i | Quarterly Results | Published in the newspapers every quarter |
| ii | Newspapers wherein results normally published | The Economic Times and Desh Sewak |
| iii | Any website, where results are displayed | www.shreyansgroup.com |
| iv | Whether it also displays official news releases | NA |
| v | The presentations made to Institutional Investors or to the Analysts | NA |

Online Filing: Periodical compliance filings like shareholding pattern, corporate governance report, announcements, corporate actions etc. have been filed electronically on NSE-NEAPS and BSE –Corporate Compliance & Listing Centre.

SCORES (Sebi Complaints Redressal System): The Investor Complaints are processed in a centralized web based complaints Redressal system on www.scores.sebi.gov.in, a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

11. General Shareholder Information

i. AGM: Date, Time and Venue

Date & Time: 12th August 2025 at 11.00 a.m.

Place: Regd. office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana -141 123

ii. Financial Year

The Company's Financial Year starts from 1st April every year and conclude on 31st March, next year.

iii. Date of Book Closure

The Register of Members and Share Transfer books of the Company shall remain closed from 6th August 2025 to 12th August 2025 (both days inclusive), for the purpose of payment of dividend, if any and AGM, for both physical and electronic segments.

iv. Dividend Payment date (tentative)

Credit or dispatch of dividend warrants tentatively between 19th August 2025 to 9th September 2025.

v. Listing on Stock Exchanges

The Equity shares of the Company are listed at the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Company has paid up to date listing fee to the Bombay Stock Exchange Limited and the National Stock Exchange of India limited.

Stock Code

| | | | |
|------------------------------------------|------------|---------------------------------|-----------------------|
| Bombay Stock Exchange Limited | 516016 | ISIN | INE231C01019 |
| National Stock Exchange of India Limited | SHREYANIND | Corporate Identification Number | L17115PB1979PLC003994 |

vi. Registrar and Share Transfer Agent

Name : Skyline Financial Services (P) Ltd.

Address : D-153/A 1st Floor, Okhla Industrial Area, Phase -1
New Delhi-110 020

Phone No. : 011-40450193-97, Email : admin@skylinerta.com, parveen@skylinerta.com

Contact Person : Mr. Parveen Sharma

vii. Share Transfer System

With effect from April 1, 2019, SEBI has mandated that no share can be transferred by the Company in physical mode. Shares of the Company are available for De-materialization under ISIN INE231C01019. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Shareholders who hold shares in the physical form and wish to make Change/ nomination in respect of their shares in the company, as permitted under Companies Act, 2013 may submit the same to Registrars & Transfer Agents of the company in the prescribed Form. The said form is available on the website of the company at www.shreyansgroup.com.

viii. DISTRIBUTION OF EQUITY SHARE CAPITAL AS ON : 31.03.2025:

| Shareholding Nominal Value (₹) | No of Shareholders | % to Total Numbers | Shareholding Amount (₹) | % to Total Amount |
|--------------------------------|--------------------|--------------------|-------------------------|-------------------|
| Up To 5,000 | 16435 | 94.12 | 1,30,85,640.00 | 9.47 |
| 5,001 To 10,000 | 510 | 2.92 | 39,48,610.00 | 2.86 |
| 10,001 To 20,000 | 265 | 1.52 | 39,44,900.00 | 2.85 |

| Shareholding Nominal Value (₹) | No of Shareholders | % to Total Numbers | Shareholding Amount (₹) | % to Total Amount |
|--------------------------------------|-----------------------|-----------------------|-------------------------------|----------------------|
| 20,001 To 30,000 | 84 | 0.48 | 21,58,200.00 | 1.56 |
| 30,001 To 40,000 | 33 | 0.19 | 11,60,660.00 | 0.84 |
| 40,001 To 50,000 | 27 | 0.15 | 12,59,320.00 | 0.91 |
| 50,001 To 1,00,000 | 53 | 0.30 | 37,92,570.00 | 2.74 |
| 1,00,000 and Above | 55 | 0.31 | 10,88,95,600.00 | 78.77 |
| TOTAL | 17462 | 100.00 | 13,82,45,500.00 | 100.00 |

ix. Dematerialisation of shares and Liquidity

As on 31.03.2025, 97.63% of total paid up share of the Company is held with depositories in dematerialized form. The Equity shares of the Company are regularly traded at the BSE and NSE.

x. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments conversion date and likely impact on equity

The Company has not issued any GDR's/ADR's. The Company has not allotted any equity share during the financial year 2024-25.

xi. Location of Plants:

- (a) Shreyans Papers, Ahmedgarh, Distt. Malerkotla (Punjab)
(b) Shree Rishabh Papers, Vill. Banah, Distt. S.B.S Nagar (Punjab)

xii. Address for correspondence:

Registered Office:

Shreyans Industries Limited
Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana (India) -141123
Ph. : 9876100948
Email : atl@shreyansgroup.com, cs@shreyansgroup.com
Website : www.shreyansgroup.com

xiii. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year:

During the year under review, CARE Ratings Limited has reviewed the external credit rating for the Long Term, Short term Bank facilities and Fixed Deposits of the company and has reaffirmed and assigned the rating. The facility wise rating is as under:

| Facilities | Amount (₹ /Cr) | Upgraded Rating |
|--------------------------------------------|----------------|----------------------------------------------------|
| Long Term Bank Facilities | 30.45 | CARE A -; STABLE (SINGLE A MINUS; OUTLOOK: STABLE) |
| Short Term Bank Facilities | 55.00 | CARE A2 + (A TWO PLUS) |
| Medium Term instruments- Fixed deposits | 1.46 | CARE A -; STABLE (SINGLE A MINUS; OUTLOOK: STABLE) |

xiv. The Company has paid remuneration of ₹10.94 lakhs for FY 2024-25 for all services, on a consolidated basis for the Company to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

xv. During the year under review, one resolution was passed through Postal Ballot on 8th October, 2024 to approve the appointment of Mrs. Shalini Gupta (DIN: 07176781) as an Independent Director of the Company.

xvi. The Company has not provided any loans or advances in the nature of loans to any firms/companies in which directors are interested.

xvii. There were no complaints/cases reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xviii. None of the Non-Executive Directors holds any shares in the Company.

xix. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends not encashed/ claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, all unclaimed / unpaid dividends of the Company in respect of financial years 2012-13 to 2016-17 has been transferred to IEPF. Members who have not encashed their final dividend warrants for the FY 2017-18 or thereafter are requested to write to the Company's Registrar and Share Transfer Agent.

The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid/unclaimed for a continuous period of seven years to the demat account of IEPF Authority. In accordance with the said IEPF Rules, the Company had sent notices to all the Members whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF- 5 available on www.iepf.gov.in.

During the Financial Year 2024-25, unclaimed/unpaid dividends declared for Financial Year 2016-17 amounting to Rs. 9.42 lacs and corresponding 24,862 equity shares (whose dividend is unpaid/unclaimed for seven consecutive years) due on 7th October 2024 have been transferred to the Investor Education and Protection Fund [IEPF] as per timelines and procedure prescribed under the Companies Act 2013 read with concerned IEPF Rules.

The following table contains the information relating to unpaid dividend accounts as on 31st March 2025 and their proposed due dates of transfer to IEPF.

| Financial Year | Date of declaration | Due date for IEPF transfer |
|----------------|---------------------|----------------------------|
| 2017-18 | 10-Aug-2018 | 09-Sept-2025 |
| 2018-19 | 15-Jul-2019 | 14-Aug-2026 |
| 2019-20 | 11-Feb-2020 | 12-Mar-2027 |
| 2020-21 | 31-Aug-2021 | 30-Sept-2028 |
| 2021-22 | 19-Aug-2022 | 18-Sept-2029 |
| 2022-23 | 10-Aug-2023 | 09-Sept-2030 |
| 2023-24 | 05-Aug-2024 | 04-Sept-2031 |

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATIONS 26(3) OF THE LISTING REGULATIONS

To,
The Members,
Shreyans Industries Ltd.
Ludhiana

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31st March, 2025 in terms of regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Ludhiana
Date : 23rd May, 2025

Rajneesh Oswal
Chairman & Managing Director
(DIN: 00002668)

CMD & CFO CERTIFICATION

To
The Members,
Shreyans Industries Ltd.,
Ludhiana

- a) We have reviewed financial statements and the cash flow statements for the year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, that there were no deficiencies in the design of operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee
 - i. There were no significant changes in internal control over financial reporting during the year;
 - ii. There were no significant changes in accounting policies during the year; and
 - iii. There were no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Rajneesh Oswal
Chairman & Managing Director
(DIN: 00002668)
Place : Ludhiana
Date : 23rd May, 2025

R. K. Mahajan
Chief Financial Officer

Practising Company Secretary Certificate on Compliance with the condition of Corporate Governance

To
The Members
Shreyans Industries Ltd

We have examined the compliance of conditions of corporate governance by Shreyans Industries Limited (the company) for the year ended 31st March, 2025 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('Listing Regulations')

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing regulations, as applicable.

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

For P. S. Bathla & Associates
Company Secretaries

(P. S. Bathla)

M. No. 4391

C. P. No. 2585

Place : Ludhiana

Dated : 23rd May, 2025

UDIN : F004391G000406397

Peer Review No. 1306/2021

Certificate from Company Secretary in Practice

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

To

The Members,

Shreyans Industries Ltd.,

Ludhiana

I have examined the relevant records of **M/s SHREYANS INDUSTRIES LIMITED** for the purpose of certifying compliance of requirements in Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2025.

On the basis of disclosures/declarations received from the Directors and taken on record by the Board of Directors and according to the verifications (including DIN Status of Directors at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company. I hereby certify that none of the Six Directors on the Board of the Company as stated below for the Financial Year ended as on 31st March, 2025, has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI / Ministry of Corporate Affairs or any such other statutory authority.

| Sl. No | Name of Director | DIN | Date of appointment in Company |
|--------|--------------------|----------|--------------------------------|
| 1. | Mr. Krishan Sethi | 00157646 | 20/05/2022 |
| 2. | Mr. Ravinder Kumar | 09733167 | 14/11/2022 |
| 3. | Mr. Vishal Oswal | 00002678 | 31/07/1999 |
| 4. | Mr. Kunal Oswal | 00004184 | 29/01/2007 |
| 5. | Mr. Rajneesh Oswal | 00002668 | 01/08/2008 |
| 6. | Ms. Shalini Gupta | 07176781 | 05/08/2024 |

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

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

For P. S. Bathla & Associates
Company Secretaries

Place : Ludhiana

Dated : 23rd May, 2025

UDIN : F004391G000406562

Peer Review No. 1306/2021

P. S. Bathla

(Proprietor)

FCS No. 4391/C. P. No. 2585

INDEPENDENT AUDITORS' REPORT**To**

**The Members,
Shreyans Industries Limited**

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of **Shreyans Industries Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting 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, 2025, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key Audit Matter | How our audit addressed the key audit matter |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Assessment of litigations and related disclosure of contingent liabilities [Refer to Notes 2.3(r), 2.4 (v), 38-A to the financial statements.]</p> <p>As at 31st March 2025, the Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We inquired with the management for recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the Financial Statements; • We used auditor's experts / specialist to gain an understanding and to evaluate the disputed tax matters; • We considered external legal opinions, where relevant, obtained by management; • We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements; and • We assessed the adequacy of the disclosures. <p>Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Financial Statements is considered to be reasonable.</p> |

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including annexures, if any, thereon, and Report on Corporate Governance but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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, 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.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) (Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2.(A)As required by Section 143(3) of the Act, based on our audit, we report, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e. On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2025 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 control over financial reporting.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- (a) The company has disclosed the impact of pending litigations on its financial position in its Financial Statements. Refer Note 38 to the financial statements.
- (b) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education

and Protection Fund by the Company.

- (d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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;
- (ii) The management has represented that, to the best of its knowledge and belief, 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;
- (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- (e) The final dividend proposed in the previous year, declared and paid by the company during the current year is in accordance with section 123 of the Act, to the extent it applies to payment of dividend.
- (f) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- (g) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- (C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For SCV & Co. LLP
Chartered Accountants
(Firm Reg. No. 000235N/N500089)

Place : Ludhiana (Sanjiv Mohan)
Dated : 23rd May, 2025 Partner
UDIN : 25086066BMKNND7825 M. No. 086066

Annexure- "A" to the Independent Auditors' Report

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

(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 has maintained proper records showing full particulars of Other Intangible Assets.

b) According to the information and explanations given to us, the Company has adopted a policy of physical verification of Property, Plant and Equipment once in block of every three years. The company has verified entire block of Property, Plant and Equipment during the year ended 31st March, 2024. Further in our opinion the frequency of physical verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and nature of its assets.

c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the company as at the date of balance sheet.

d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.

e) Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the company as at 31st March 2025 for holding any benami property under 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 inventories have been physically verified by the management at the reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores in aggregate from banks during the year on the basis of security of current assets

of the Company. Based on our verification, quarterly returns or statements filed by the Company with such banks are in agreement with the books of account.

(iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year. The company has granted unsecured loans to companies, firms and employees in respect of which the requisite information as required under clause 3(iii)(a) is furnished below. Further the Company has not granted loans secured or unsecured to limited liability partnership or any other parties during the year. The company has made investments in mutual funds during the year.

a) The Company has provided loans to companies and employees as below:

| Particulars | Amount (₹ in lakhs) |
|---------------------------------------------------|------------------------|
| Aggregate amount of loans granted during the year | |
| - Companies | 750.00 |
| - Firms | 75.00 |
| - Employees | 33.65 |
| Balance outstanding as at balance sheet date | |
| - Companies | 600.00 |
| - Firms | 75.00 |
| - Employees | 59.06 |

(b) The investments made and the terms and conditions of the grant of all the above-mentioned loans to companies, firms and employees during the year are, in our opinion, prima facie, not prejudicial to the interest of the Company.

(c) In case of interest bearing unsecured loans given, in our opinion the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular as per stipulation. In the case of interest free unsecured loans given to employees, in our opinion the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

- (iv) According to the information and explanations given to us, the Company has not made investment and granted loans, or provided any guarantee or security to the parties specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of the investments made and loans granted by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) According to the information and explanations given to us, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. According to the information and explanation given to us, no order under its aforesaid sections has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however,

not made a detailed examination of such records with a view to determine whether they are accurate or complete.

- (vii)(a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom, Value Added Tax, Sales Tax, Cess, Goods and Service Tax and other applicable statutory dues with the appropriate authorities.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of custom, value added tax, sales tax, cess, goods and service tax and any other statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the company examined by us, the details of statutory dues referred to in sub clause (a) above which have not been deposited as on 31st March, 2025 on account of disputes are given below.

| Name of the Statute | Nature of Dues | Disputed Amount (₹ in lakhs) | Amount deposited (₹ in lakhs) | Amount Unpaid (₹ in lakhs) | Period to which relates | Forum where dispute is pending. |
|---------------------------------|----------------|------------------------------|-------------------------------|----------------------------|---------------------------|---------------------------------|
| Central Excise Act, 1944 | Excise Duty | 1.45 | 0.93 | 0.53 | 1996-1997 to 2000-2001 | Joint Commissioner |
| Central Excise Act, 1944 | Excise Duty | 1.43 | - | 1.43 | 2004-2005 | Assistant Commissioner |
| Punjab VAT Act, 2005 | Sales Tax | 4.00 | 1.00 | 3.00 | 2016-2017 | VAT Tribunal |
| Central Excise Act, 1944 | Excise Duty | 73.77 | 11.54 | 62.23 | 2003-2004 to 2008 to 2009 | Commissioner Appeals |
| Goods and Service Tax Act, 2017 | CGST | 12.36 | 1.24 | 11.12 | 2017-2018 | Commissioner Appeals |

- (viii) According to the information and explanations given to us and records of the company examined by us, there are 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) According to the information and explanations given to us and records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender. Therefore reporting under clause 3(ix)(a) of the Order is not applicable to the company.
- (b) According to the information and explanations given to us and on the basis of our audit procedure, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have,

prima facie, not been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the Company. Therefore reporting under clause 3(ix)(e) of the Order is not applicable to the company.
- (f) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore reporting under clause 3(ix) (f) of the Order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us and records of the company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore reporting under clause 3(x)(a) of the Order is not applicable to the company.
- (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 convertible). Therefore reporting under clause 3(x)(b) of the Order is not applicable to the company.

- (xi) (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received whistle blower complaints during the year. Therefore, reporting under clause 3(xi)(c) of the Order is not applicable to the company.
- (xii) According to the information and explanations given to us, the company is not a Nidhi Company. Therefore reporting under clause 3(xii) of the order is not applicable to the company.
- (xiii) According to the information and explanations given to us, and based on our examinations of the records of the company, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) 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 information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with its directors or persons connected with him. Therefore reporting under clause 3(xv) of the order is not applicable to the company.
- (xvi)(a) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore reporting under clause 3(xvi)(a) of the Order is not applicable to the company.
- (b) Based on information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; and therefore reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) Based on information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and therefore reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has five Non- Systemically Important Core Investment Companies (CICs) as part of group as on 31st March 2025, which are exempted from registration with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements 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) (a) In respect of other than on-going projects as at balance sheet date, the company does not have any amount remaining unspent under section 135(5) of the Act. Accordingly reporting under clause 3(xx) (a) of the Order is not required.
- (b) In respect of ongoing projects, the Company has transferred unspent amount to a special account, within a period thirty days from end of the financial year in compliance with section 135 (6) of the Companies Act.
- (xxi) The consolidated financial statements are not applicable to the company. Accordingly reporting under clause 3(xxi) of the Order is not applicable.

For SCV & CO. LLP
Chartered Accountants
(Firm Reg. No. 000235N/N500089)

Place : Ludhiana (Sanjiv Mohan)
Dated : 23rd May, 2025 Partner
UDIN : 25086066BMKNND7825 M. No. 086066

Annexure - "B" to the Independent Auditors' Report
 (Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shreyans Industries Limited of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of Shreyans Industries Limited ("the Company") as of 31st March 2025 in conjunction with our audit of financial statements of company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company Board of Directors 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial

Reporting with reference to these Financial Statements

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SCV & CO. LLP

Chartered Accountants

(Firm Reg. No. 000235N/N500089)

Place : Ludhiana

Dated : 23rd May, 2025

UDIN : 25086066BMKNND7825

(Sanjiv Mohan)

Partner

M. No. 086066

BALANCE SHEET AS AT 31ST MARCH 2025

(₹ in lakhs)

| Particulars | Note No. | As at 31st March 2025 | As at 31st March 2024 |
|------------------------------------------------------------------------------------------|----------|-----------------------|-----------------------|
| ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, plant and equipment | 3a | 23,419.72 | 21,723.16 |
| (b) Right of use Asset | 3b | 225.18 | 211.88 |
| (c) Capital work-in-progress | 3c | 994.43 | 1,226.20 |
| (d) Other Intangible Assets | 3d | 1.54 | 1.54 |
| (e) Financial Assets | | | |
| i Investments | 4 | 379.64 | 416.44 |
| ii Loans | 5 | 5.60 | 6.88 |
| iii Others financial assets | 6 | 169.13 | - |
| (f) Other Non Current assets | 7 | 2,431.81 | 811.51 |
| Total Non-current assets | | 27,627.05 | 24,397.61 |
| (2) Current assets | | | |
| (a) Inventories | 8 | 4,789.06 | 5,181.49 |
| (b) Financial Assets | | | |
| i Investments | 9 | 23,638.26 | 21,986.92 |
| ii Trade receivables | 10 | 3,688.68 | 2,933.74 |
| iii Cash and Cash equivalents | 11 | 14.64 | 11.75 |
| iv Bank Balances (other than (iii) above) | 12 | 578.86 | 631.64 |
| v Loans | 13 | 716.31 | 159.05 |
| vi Other financial assets | 14 | 201.83 | 196.53 |
| (c) Other current assets | 16 | 272.56 | 506.27 |
| Total Current assets | | 33,900.20 | 31,607.39 |
| TOTAL ASSETS | | 61,527.25 | 56,005.00 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity Share capital | 17 | 1,382.47 | 1,382.47 |
| b) Other Equity | 18 | 41,260.82 | 36,913.20 |
| Total Equity | | 42,643.29 | 38,295.67 |
| Liabilities | | | |
| (1) Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| i Borrowings | 19 | 816.83 | 331.82 |
| ia Lease liabilities | 20 | 141.92 | 125.65 |
| ii Other Financial Liabilities | 21 | 14.17 | 8.42 |
| (b) Provisions | 22 | 1,060.88 | 784.42 |
| (c) Deferred tax liabilities (Net) | 23 | 3,772.38 | 3,518.63 |
| (d) Other non-current liabilities | 24 | 69.27 | 84.57 |
| Total Non-current liabilities | | 5,875.45 | 4,853.51 |
| (2) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| i Borrowings | 25 | 3,458.76 | 2,872.10 |
| ia Lease liabilities | 26 | 72.53 | 74.52 |
| ii Trade payables | 27 | | |
| a) total outstanding dues of micro enterprises and small enterprises | " | 806.42 | 1,211.00 |
| b) total outstanding dues of creditors other than micro enterprise and small enterprises | | 4,217.46 | 3,240.28 |
| iii Other Financial liabilities | 28 | 3,419.07 | 4,075.72 |
| (b) Other current liabilities | 29 | 664.82 | 1,035.93 |
| (c) Provisions | 30 | 214.35 | 215.59 |
| (d) Income tax liabilities (net) | 15 | 155.10 | 130.68 |
| Total Current liabilities | | 13,008.51 | 12,855.82 |
| TOTAL EQUITY AND LIABILITIES | | 61,527.25 | 56,005.00 |

See accompanying notes to the financial statements.

As per our report of even date attached
For SCV & CO LLPChartered Accountants
(Firm Regn. No. 000235N/N500089)(SANJIV MOHAN)
Partner
M.No. 086066(R.K. MAHAJAN)
Chief Financial Officer(PARMINDER SINGH)
Company Secretary

For and on behalf of the Board of Directors

(VISHAL OSWAL)
Vice Chairman and
Managing Director
DIN 00002678(RAJNEESH OSWAL)
Chairman and
Managing Director
DIN 00002668Place : Ludhiana
Date : 23rd May 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in Rs lakhs unless otherwise stated)

| Particulars | Note No. | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-----------------------------------------------------------------------------------|-----------|------------------------------------|------------------------------------|
| I Revenue from operations | 31 | 61,676.63 | 69,916.82 |
| II Other Income | 32 | 1,781.07 | 3,497.95 |
| III Total Income (I + II) | | 63,457.70 | 73,414.77 |
| IV Expenses : | | | |
| Cost of materials consumed | 33 | 26,633.02 | 30,432.92 |
| Changes in inventories of finished goods, stock in trade and work-in-progress. | 34 | 61.59 | (73.81) |
| Employee benefits expense | 35 | 7,877.86 | 7,412.21 |
| Finance costs | 36 | 411.59 | 425.36 |
| Depreciation and amortization | 3a,3b, 3d | 1,546.78 | 1,357.63 |
| Other expenses | 37 | 20,152.03 | 22,386.53 |
| Total Expenses (IV) | | 56,682.87 | 61,940.84 |
| V Profit before exceptional items and tax (III-IV) | | 6,774.83 | 11,473.93 |
| VI Exceptional Items | | - | - |
| VII Profit before tax (V-VI) | | 6,774.83 | 11,473.93 |
| VIII Tax expense: | | | |
| (1) Current tax | | 1,412.00 | 2,155.00 |
| (2) Tax adjustments of earlier years | | 41.77 | 82.60 |
| (3) Deferred tax | | 260.91 | 494.28 |
| IX Profit for the year (VII-VIII) | | 5,060.15 | 8,742.05 |
| X Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement of the employee defined benefit plans | | (28.46) | 74.15 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 7.16 | (18.66) |
| Total Other Comprehensive Income/ (loss) for the year net of taxes | | (21.30) | 55.49 |
| XI Total Comprehensive Income for the year (IX+X) | | 5,038.85 | 8,797.54 |
| XII Earnings per equity share (Face Value of ₹10 each) | | | |
| i) Basic (₹) | | 36.60 | 63.24 |
| ii) Diluted (₹) | | 36.60 | 63.24 |

See accompanying notes to the financial statements.

As per our report of even date attached
For SCV & CO LLP
Chartered Accountants
(Firm Regn. No. 000235N/N500089)

For and on behalf of the Board of Directors

(SANJIV MOHAN)
Partner
M.No. 086066

(R.K. MAHAJAN)
Chief Financial Officer

(PARMINDER SINGH)
Company Secretary

(VISHAL OSWAL)
Vice Chairman and
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman and
Managing Director
DIN 00002668

Place : Ludhiana
Date : 23rd May 2025

Statement of Changes in Equity for the year ended 31st March 2025**A Equity share Capital
Current Reporting Period**

(₹ In lakhs)

| Balance as at 1st April 2024 | Changes in Equity 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 as at 31st March 2025 |
|---------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------|
| 1,382.47 | - | - | - | 1,382.47 |

Previous Reporting Period

| Balance as at 1st April 2023 | Changes in Equity 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 as at 31st March 2024 |
|---------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------|
| 1,382.47 | - | - | - | 1,382.47 |

B Other Equity

(₹ In lakhs)

| Particulars | Other Equity | | | | | Total |
|----------------------------------------------------------------------|----------------------|-----------------------|--------------------|----------------------|---------------------------------------------------|-----------|
| | Reserves and Surplus | | | | Items of Other comprehensive income/ (loss) | |
| | Capital reserve | Securities premium | General Reserve | Retained Earnings | Remeasurement of the defined benefit Plans | |
| Balance as at 1st April 2024 | 2.10 | 1,923.75 | 3,896.69 | 31,108.63 | (17.97) | 36,913.20 |
| Dividend for the year ended 31st March 2024 (₹5.00 per share) | - | - | - | (691.23) | - | (691.23) |
| Profit for the year transferred from statement of profit and loss | - | - | - | 5,060.14 | - | 5,060.14 |
| Other Comprehensive Income for the year (net of income tax) | - | - | - | - | (21.29) | (21.29) |
| Balance as at 31st March 2025 | 2.10 | 1,923.75 | 3,896.69 | 35,477.54 | (39.26) | 41,260.82 |

(₹ In lakhs)

| Particulars | Other Equity | | | | | Total |
|----------------------------------------------------------------------|----------------------|-----------------------|--------------------|----------------------|---------------------------------------------------|-----------|
| | Reserves and Surplus | | | | Items of Other comprehensive income/ (loss) | |
| | Capital reserve | Securities premium | General Reserve | Retained Earnings | Remeasurement of the defined benefit Plans | |
| Balance as at 1st April 2023 | 2.10 | 1,923.75 | 3,896.69 | 23,057.81 | (73.46) | 28,806.89 |
| Dividend for the year ended 31st March 2023 (₹5.00 per share) | - | - | - | (691.23) | - | (691.23) |
| Profit for the year transferred from statement of profit and loss | - | - | - | 8,742.05 | - | 8,742.05 |
| Other Comprehensive Income for the year (net of income tax) | - | - | - | - | 55.49 | 55.49 |
| Balance as at 31st March 2024 | 2.10 | 1,923.75 | 3,896.69 | 31,108.63 | (17.97) | 36,913.20 |

As per our report of even date attached
For SCV & CO LLP
Chartered Accountants
(Firm Regn. No. 000235N/N500089)

For and on behalf of the Board of Directors

(SANJIV MOHAN)
Partner
M.No. 086066

(R.K. MAHAJAN)
Chief Financial Officer

(PARMINDER SINGH)
Company Secretary

(VISHAL OSWAL)
Vice Chairman and
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman and
Managing Director
DIN 00002668

Place : Ludhiana
Date : 23rd May 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax as per statement of profit and loss | 6774.83 | 11473.93 |
| Adjustment for : | | |
| Depreciation and amortisation expense | 1546.78 | 1357.63 |
| Interest Income | (355.92) | (243.43) |
| Dividend on non current investments | (0.10) | (0.08) |
| Net (gain) on sale of Current investments (realised) | (227.41) | (124.67) |
| Net Fair valuation Loss/ (gain) on investments | (1113.02) | (3007.19) |
| Interest expense | 375.35 | 394.21 |
| Net Loss/(gain) on disposal of property, plant and equipment | 68.16 | 0.25 |
| Amortisation of other Financial Assets | - | (2.68) |
| Provisions no longer required written back | (12.76) | (28.67) |
| Allowances for expected credit Losses | 18.87 | 11.04 |
| Exchange Differences on translation of assets and liabilities (net) | (6.35) | 9.09 |
| Trade Receivables and other balances written off (net) | - | 4.10 |
| Balances written back (net) | (2.39) | (1.06) |
| | 291.21 | (1631.46) |
| Operating Profit Before Working Capital Changes | 7066.04 | 9842.47 |
| Adjustment for (Increase)/ Decrease in operating assets: | | |
| Inventories | 392.43 | (138.75) |
| Trade Receivables | (763.30) | 725.31 |
| Loans (Current) | (568.83) | (110.23) |
| Loans (Non-current) | 1.30 | 4.53 |
| Other assets (Current) | 233.13 | (250.86) |
| Other assets (Non-current) | 18.23 | (100.03) |
| Other financial assets (Current) | 26.00 | 74.11 |
| Other financial assets (Non-current) | (161.62) | 79.94 |
| Adjustment for increase/(decrease) in operating liabilities: | | |
| Trade Payables | 582.97 | (583.81) |
| Provisions (Non-current) | 248.00 | 189.82 |
| Provisions (Current) | (1.24) | 25.97 |
| Other financial liabilities (Current) | (775.60) | 524.27 |
| Other financial liabilities (Non-current) | 5.75 | 7.12 |
| Other liabilities (Current) | (371.11) | (357.01) |
| Other liabilities (Non-current) | (7.84) | (17.12) |
| | (1141.73) | 73.26 |
| Cash generated from operations | 5924.31 | 9915.73 |
| Income taxes paid (Net of refund received) | (1429.35) | (2084.17) |
| Net cash generated from operating activities | 4494.96 | 7831.56 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Payment for Purchase of Property, Plant and Equipment/ Capital work-in-progress including capital advances | (4631.60) | (2557.87) |
| Payments for Purchase of investments | (7045.67) | (12921.48) |
| Proceeds from sale of Current investments | 6771.56 | 9457.55 |
| Proceeds from disposal of Property, Plant and Equipments | 60.32 | 7.82 |
| Dividend received | 0.10 | 0.08 |
| Interest received | 317.11 | 208.48 |
| Bank Balances not considered as cash and cash equivalents | 52.78 | (91.57) |
| Net cash flows (used in)/generated from investing activities | (4475.40) | (5896.99) |

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings (non current) | 800.00 | 1160.46 |
| Repayment of borrowings (non current) | (818.47) | (820.25) |
| Proceeds from borrowings (current) | 1989.39 | 207.63 |
| Repayment of borrowings (current) | (899.25) | (1406.50) |
| Payment of lease liabilities | (94.73) | (83.70) |
| Interest Paid | (291.38) | (303.51) |
| Interest Paid on Lease liability | (19.64) | (17.38) |
| Dividend Paid on equity share capital | (682.59) | (681.77) |
| Net cash used in financing activities | (16.67) | (1945.02) |
| Net (decrease)/increase in cash and cash equivalents | 2.89 | (10.45) |
| Cash and cash equivalents at beginning of the year | 11.75 | 22.20 |
| Cash and cash equivalents at end of the year | 14.64 | 11.75 |
| (for Component of Cash and cash equivalents Refer note 11) | | |

See accompanying notes to the financial statements.

As per our report of even date attached
For SCV & CO LLP
Chartered Accountants
(Firm Regn. No. 000235N/N500089)

For and on behalf of the Board of Directors

(SANJIV MOHAN)
Partner
M.No. 086066

(R.K. MAHAJAN)
Chief Financial Officer

(PARMINDER SINGH)
Company Secretary

(VISHAL OSWAL)
Vice Chairman and
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman and
Managing Director
DIN 00002668

Place : Ludhiana
Date : 23rd May 2025

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025**1 Corporate and General Information**

Shreyans Industries Limited ("the Company") (CIN- L17115PB1979PLC003994) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The name of the company at its incorporation was Shreyans Paper Mills Ltd. and subsequently changed to Shreyans Industries Limited on 20th October 1992. The registered office of the company is situated at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141123, Punjab.

The company is engaged in the manufacturing of Writing and Printing Paper. The Company caters to both domestic and international market. The equity shares of the Company are listed on National Stock Exchange of India Ltd (NSE) and Bombay Stock Exchange Limited (BSE).

The Board of Directors approved the Financial Statements for the year ended 31st March, 2025 and authorised for issue on 23rd May 2025.

2 Material Accounting policies, Significant accounting judgements, estimates and assumptions and applicability of new and revised Ind AS**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Referred to as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

2.2 Basis of preparation and presentation of financial statements

- (i) The financial statements have been prepared on a historical cost convention and on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period as required under Ind AS.

The following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value.

Historical Cost

Historical cost is based on the fair value of the consideration given in exchange of goods and services.

Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 : 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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

- (ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) Functional and Presentation currency

The financial statements are presented in Indian rupees (INR, which is company's functional currency) and All amounts have been rounded off to the nearest ₹ lakhs and two decimals thereof, unless otherwise indicated.

2.3 Material accounting policies**a) Revenue Recognition****Revenue**

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and

schemes offered by the company as a part of the contract.

i) Sale of products

The company derives revenue primarily from the sale of Writing and Printing Paper and Soda Ash.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on dispatch/ delivery.

Revenue is measured based on the transaction price (net of variable consideration) which is consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government.

Due to the short nature of credit period given to customers, there is no financing component in the contract.

ii) Interest income

- Interest Income from customers is recognized on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.

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

iii) Dividend income

Dividend income from investment is recognized when the right to receive the payment is established by the reporting date and amount of dividend can be measured reliably, the dividend does not represent a recovery of part of cost of the investment.

iv) Insurance and Other Claims

Insurance claims are recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

b) Employee Benefits

i) Short Term Employee benefit:

The short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

Post Employment Benefit Plan

ii) Defined Contribution plan

Provident Fund:

Employees receive benefit in the form of Provident fund which is a defined contribution plan. The company has no obligation, other than the contribution payable to the provident fund. The company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

iii) Defined Benefit Plan

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan "The gratuity plan" covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee of an amount based on the respective employees' salary and the tenure of employment with the company.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each balance sheet date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

iv) Other long term employee benefit

Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability in respect of other long-term employee benefits and measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

c) Property, Plant and Equipment

- a) Freehold land is stated at historical cost and not depreciated. All other items of property, plant and equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment, if any.
- b) On transition to Ind AS, the company has elected to continue with the carrying value of all its Property, plant & equipment and Intangible assets recognised as at 1st April, 2016 measured as per previous GAAP and used that carrying value as it's deemed cost of it's Property, plant & equipment and Intangible assets.
- c) The Cost of an item of Property, Plant and Equipment comprises its purchase price net of recoverable taxes where applicable and any attributable expenditure (directly or indirectly) for bringing the asset to its working condition for its intended use and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria are met. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset measured as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of Profit and loss when the asset is derecognized.

The depreciation method, useful lives and residual value are reviewed periodically and at the end of each reporting period. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except the assets costing Rs 5000/- or below on which depreciation is charged @ 100% per annum on proportionate basis, are as follows:

| | | |
|---------------------------------|---|-------------|
| Building | - | 30-60 years |
| Plant and Machinery | - | 15-25 years |
| Office Equipment | - | 05 years |
| Computer Equipment | - | 03 years |
| Furniture and fittings | - | 10 years |
| Vehicles excluding Motor cycles | - | 08 years |
| Motor cycles | - | 10 years |

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Capital work in Progress includes assets not ready for their intended use and includes related incidental expenses.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized as expense in the Statement of Profit and Loss as and when incurred.

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

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

d) Intangible assets

Intangible assets with finite useful lives that are acquired separately are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Estimated useful lives of the intangible assets are as follows:

| | |
|--------------------|---------|
| Computer Softwares | 6 Years |
|--------------------|---------|

e) Impairment of property, plant and equipment and Intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically, including at each financial year end.

f) Inventories

Inventories of raw materials, stores and spares, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost in respect of the aforesaid items of inventory is computed as under:

- In case of raw materials, at first in first out cost plus direct expenses.
- In case of stores and spares, at weighted average cost plus direct expenses.
- In case of work-in-progress, at material cost plus conversion cost depending upon the stage of completion.
- In case of finished goods, at material cost plus conversion cost, packing cost and other overheads incurred to bring the goods to their present condition and location.
- In Case of Material in Transit, Actual cost plus direct expenses to the extent incurred.

Net realizable value is the estimated selling price in ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

g) Government Grants

- (i) The government grants are recognized only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.
- (ii) Government grants in relation to fixed assets are treated as deferred income and are recognized in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.
- (iii) Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs that they are intended to compensate.
- (iv) Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in the Statement of profit and loss in the period in which they become receivable.
- (v) Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

h) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of items of Property, plant and equipment which necessarily takes substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to the interest costs.

i) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and office building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease

payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the company's incremental borrowing rate.

Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

j) Foreign currency transactions

Transaction and balances

Foreign currency transactions are initially recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary items denominated in foreign currency are recognised using the closing exchange rate as on balance sheet date.

The non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on reporting of monetary items at rates different from rates at which these were recognised on initial recognition during the period or reported in previous financial statements are recognised in the statement of Profit and Loss in the period in which they arise. All foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

k) Accounting for Taxes on income

- i. Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to when it relates to items recognized directly in equity or items recognised in other comprehensive income in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.
- ii. Current income tax for current period is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
- iii. Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.
- iv. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.
- v. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.
- vi. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

l) Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

m) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Company is required to pay / distribute dividend after deducting applicable taxes.

The Company incurred a cash outflow of ₹691.23 lakhs during the year ended 31st March, 2025, on account of the final dividend for fiscal 2024. The Board of Directors recommended a final dividend of ₹3.00 per equity share and special dividend of ₹2.00 per equity share for the financial year ended 31st March 2025. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company and if approved, would result in a cash outflow of approximately ₹691.23 lakhs.

n) Financial Instruments

i) Initial Recognition and measurement

Financial assets and financial liability are recognised when the company entity becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially recognized at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial asset or financial liability on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Transaction cost that are directly attributable to the acquisition of financial assets and financial liabilities that are carried at fair value through profit or loss are immediately recognized in the statement of profit and loss.

ii) Subsequent measurement

A) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

➤ Non-derivative financial instruments

1. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for instruments measured at Fair value through other comprehensive income (FVTOCI). All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognised in profit or loss and is included in the "Other income" line item.

3. Investment in Equity Instruments measured at fair value through OCI

On initial recognition, the company can make an irrevocable election for its investment which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. These elected investments are initially measured at fair value plus transaction cost, subsequently there are measured at fair value with gains and losses arising from changes in fair value recognized in Other Comprehensive Income and accumulated in the Reserve for equity instruments through Other Comprehensive Income. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments.

- The above election is not permitted if the equity investment is held for trading.

Dividend on these investments in equity instruments are recognised in the Statement of profit and loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognized in the statement of profit and loss are included in 'other income' line item.

4. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair valued through profit or loss. Debt instruments that meet the amortised cost criteria or the fair value through other comprehensive income but are designated as fair value through profit or loss are measured at FVTPL.

5. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at

amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IndAS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under IndAS 109. The Company follows simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

6. De-recognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

7. Foreign Exchange Gains and Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

➤ Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks and to manage its exposure to imported raw material price risk including foreign exchange forward contracts and commodities future contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

B. Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method.

1. Financial Liability at fair value through Profit or Loss

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL

A financial liability is classified as held for trading if:

- a. it has been incurred principally for the purpose of repurchasing it in the near term; or
- b. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or c. it is a derivative that is not designated and effective as a hedging instrument.

2. Financial Liabilities Subsequently measured at Amortised Cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3. De-recognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

➤ Cash Flow Hedge

The Company has not designated derivative financial instruments as cash flow hedges.

➤ Equity Instruments:

Equity instrument are any contract that evidences a residual interest in the assets of an equity after deducting all of its liabilities.

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

➤ Ordinary Shares

Equity shares issued by the company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

o) Segment reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

p) Cash flow statement

The Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

q) Cash and cash equivalent

Cash and cash equivalent for the purpose of statement of cash flows include bank balances, where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

r) Provisions and Contingent Liabilities**(A) Provisions**

- Provisions are recognized if, as a result of past event, the company has a present obligation (legal or constructive), and it is probable that a cash outflow will be required to settle the obligation in respect of where a reliable estimate can be made.

- As the timing of outflows of resources is uncertain, being dependent upon the outcome of the future proceedings, these provisions are not discounted to their present value.
- When some or all of economics benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursements will be received and amount of the receivable can be measured reliably.

(B) Contingent liability

- A disclosure for contingent liability is made when is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.
- When there is possible obligation or a present obligation where the like hood of an outflow of resources is remote no provision or disclosure is made.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets are neither recognized nor disclosed in the financial statements

Provisions, contingent liabilities, and commitments are reviewed at each balance sheet date

2.4 Use of Significant accounting judgements and estimates

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and reported amount of revenue and expense during the period.

Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amount of assets or liabilities in future period. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

i) Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

ii) Recoverable amount of property, plant and equipment

The recoverable amount of property plant and equipment is based on estimates and assumptions regarding the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

iii) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future, salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv) Recognition of deferred tax assets

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

v) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The Company annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

vi) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors of the Company approves the fair values determined by the Chief Financial Officer of the Company including determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Chief financial officer works closely with the qualified external valuers to establish appropriate valuation techniques and inputs to the model.

vii) Income Tax

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

viii) Inventory

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes

2.5 Current - non-current classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterpart, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realization in cash or cash equivalents.

3 (a) Property, plant and equipment

(₹ In lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------------------|-----------------------|-----------------------|
| Carrying amount of | | |
| Freehold Land | 380.14 | 380.14 |
| Buildings | 2,946.80 | 3,051.24 |
| Plant and equipment | 18,706.69 | 17,215.73 |
| Furniture and fixtures | 12.46 | 14.04 |
| Vehicles | 1,327.42 | 1,022.45 |
| Office equipment | 46.21 | 39.56 |
| Total Property, plant and equipment | 23,419.72 | 21,723.16 |

| Particulars | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Total |
|----------------------------------------------|---------------|----------------|---------------------|------------------------|----------------|------------------|-----------------|
| Cost or Deemed Cost | | | | | | | |
| as at 01st April 2024 | 380.14 | 3952.24 | 23557.01 | 55.00 | 1696.02 | 128.24 | 29768.65 |
| Additions | - | 52.45 | 2645.94 | 0.70 | 563.50 | 20.99 | 3283.58 |
| Adjustments/Transfer | - | - | - | - | - | - | - |
| Deletions | - | 11.16 | 151.68 | - | 66.68 | - | 229.52 |
| Balance at 31st March 2025 | 380.14 | 3993.53 | 26051.27 | 55.70 | 2192.84 | 149.23 | 32822.71 |
| Accumulated depreciation | | | | | | | |
| as at 1st April 2024 | - | 901.00 | 6341.28 | 40.96 | 673.57 | 88.68 | 8045.49 |
| Depreciation for the year | - | 152.29 | 1047.75 | 2.28 | 241.86 | 14.34 | 1458.52 |
| Accumulated depreciation on deletions | - | 6.56 | 44.45 | - | 50.01 | - | 101.02 |
| Accumulated depreciation | | | | | | | |
| as at 31st March 2025 | - | 1046.73 | 7344.58 | 43.24 | 865.42 | 103.02 | 9402.99 |
| Carrying amount as of 31st March 2025 | 380.14 | 2946.80 | 18706.69 | 12.46 | 1327.42 | 46.21 | 23419.72 |
| Carrying amount as of 1st April 2024 | 380.14 | 3051.24 | 17215.73 | 14.04 | 1022.45 | 39.56 | 21723.16 |
| Cost or Deemed Cost | | | | | | | |
| as at 01st April 2023 | 380.14 | 3574.36 | 22813.56 | 52.66 | 1138.62 | 106.32 | 28065.66 |
| Additions | - | 377.88 | 743.45 | 2.34 | 572.44 | 21.92 | 1718.03 |
| Adjustments/Transfer | - | - | - | - | - | - | - |
| Deletions | - | - | - | - | 15.04 | - | 15.04 |
| Balance at 31st March 2024 | 380.14 | 3952.24 | 23557.01 | 55.00 | 1696.02 | 128.24 | 29768.65 |
| Accumulated depreciation | | | | | | | |
| as at 1st April 2023 | - | 762.63 | 5364.77 | 36.88 | 533.16 | 75.78 | 6773.22 |
| Depreciation for the year | - | 138.37 | 976.51 | 4.08 | 147.38 | 12.90 | 1279.24 |
| Accumulated depreciation on deletions | - | - | - | - | 6.97 | - | 6.97 |
| Accumulated depreciation | | | | | | | |
| as at 31st March 2024 | - | 901.00 | 6341.28 | 40.96 | 673.57 | 88.68 | 8045.49 |
| Carrying amount as of 31st March 2024 | 380.14 | 3051.24 | 17215.73 | 14.04 | 1022.45 | 39.56 | 21723.16 |
| Carrying amount as of 1st April 2023 | 380.14 | 2811.74 | 17448.79 | 15.78 | 605.46 | 30.54 | 21292.45 |

Depreciation and Amortisation expense

| Particulars | Note | Current Year | Previous Year |
|---------------------------------------------------------------------------------------|------|--------------|---------------|
| * Depreciation for the year on Property plant and equipment | 3 a | 1458.52 | 1279.24 |
| * Depreciation for the year on Right of use Assets | 3 b | 95.71 | 85.85 |
| * Amortisation for the year on Intangible Assets | 3 d | 0.00 | - |
| Less amount transferred from deferred revenue on account of capital grant against PPE | | (7.45) | (7.46) |
| Depreciation and Amortisation expense on Property Plant and equipment | | 1546.78 | 1357.63 |

Notes on property, plant and equipment

1. Borrowing cost capitalised during the year ₹Nil (31st March 2024 : ₹Nil).
2. Refer to note 39 for information on property, plant and equipments pledged as security by the Company.
3. The title deeds of Immovable properties are held in the name of the Company
4. The Company has not revalued its Property, Plant and Equipment during the year.
5. Refer Note No. 2.3(c) for option used by the Company to use carrying amount of previous GAAP as deemed cost as on 1st April 2016.

3 (b) Right of Use Asset**(₹ In lakhs)**

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|----------------------------------|--------------------------|--------------------------|
| Carrying amount of | | |
| Land | 199.80 | 170.04 |
| Buildings | 25.38 | 41.84 |
| Total Right of Use Assets | 225.18 | 211.88 |

(₹ In lakhs)

| Particulars | Land | Building | Total |
|-------------------------------------------------------|---------------|--------------|---------------|
| Gross Carrying amount as at 1st April 2024 | 400.64 | 49.39 | 450.03 |
| Additions | 109.01 | - | 109.01 |
| Adjustments/Modification | - | - | - |
| Deletions | 91.24 | - | 91.24 |
| Balance at 31st March 2025 | 418.41 | 49.39 | 467.80 |
| Accumulated depreciation as at 1st April 2024 | 230.60 | 7.55 | 238.15 |
| Depreciation | | | |
| - for the year | 79.25 | 16.46 | 95.71 |
| - Adjustments/Modification | - | - | - |
| Accumulated depreciation on deletions | 91.24 | - | 91.24 |
| Accumulated depreciation as at 31st March 2025 | 218.61 | 24.01 | 242.62 |
| Carrying amount as of 31st March 2025 | 199.80 | 25.38 | 225.18 |
| Carrying amount as of 1st April 2024 | 170.04 | 41.84 | 211.88 |

(₹ In lakhs)

| Particulars | Land | Building | Total |
|-------------------------------------------------------|---------------|--------------|---------------|
| Gross Carrying amount as at 1st April 2023 | 384.86 | - | 384.86 |
| Additions | 69.61 | 49.39 | 119.00 |
| Adjustments/Modification | - | - | - |
| Deletions | 53.83 | - | 53.83 |
| Balance at 31st March 2024 | 400.64 | 49.39 | 450.03 |
| Accumulated depreciation as at 1st April 2023 | 206.13 | - | 206.13 |
| Depreciation | | | |
| - for the year | 78.30 | 7.55 | 85.85 |
| - Adjustments/Modification | - | - | - |
| Accumulated depreciation on deletions | 53.83 | - | 53.83 |
| Accumulated depreciation as at 31st March 2024 | 230.60 | 7.55 | 238.15 |
| Carrying amount as of 31st March 2024 | 170.04 | 41.84 | 211.88 |
| Carrying amount as of 1st April 2023 | 178.73 | - | 178.73 |

Note: The Company has not revalued its Right of Use Assets during the year.

Disclosures as required by Indian Accounting Standard (Ind AS) 116 Lease**1 Company as a lessee**

The Company has lease contracts for Land and Buildings. Leases of land have lease terms of 1 to 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

- (a) The depreciation expense on ROU assets of ₹95.71 lakhs (previous year ₹85.85 lakhs) is included under depreciation and amortization expense in the statement of Profit and Loss.
- (b) Interest Expense on the lease liability amounting to ₹19.64 lakhs (previous year ₹17.38 lakhs) has been included as a component of finance costs in the statement of Profit and Loss.

(c) The changes in the carrying value of Right of Use assets during the year is as under:- (₹ In lakhs)

| Particulars | Gross Carrying Value | Depreciation | Net Carrying Value |
|-------------------------------|----------------------|---------------|--------------------|
| (i) Land | | | |
| As at 1st April 2023 | 384.86 | 206.13 | 178.73 |
| Addition during the year | 69.61 | - | |
| Depreciation during the year | - | 78.30 | |
| Deletions during the year | 53.83 | 53.83 | |
| Balance as at 31st March 2024 | 400.64 | 230.60 | 170.04 |
| Addition during the year | 109.01 | - | |
| Depreciation during the year | - | 79.25 | |
| Deletions during the year | 91.24 | 91.24 | |
| Balance as at 31st March 2025 | 418.41 | 218.61 | 199.80 |
| (ii) Buildings | | | |
| As at 1st April 2023 | - | - | |
| Addition during the year | 49.39 | - | |
| Depreciation during the year | - | 7.55 | |
| Deletions during the year | - | - | |
| Balance as at 31st March 2024 | 49.39 | 7.55 | 41.84 |
| Addition during the year | - | - | |
| Depreciation during the year | - | 16.46 | |
| Deletions during the year | - | - | |
| Balance as at 31st March 2025 | 49.39 | 24.01 | 25.38 |

(d) The following is the break-up of current and non-current lease liabilities (₹ In lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------|--------------------------|--------------------------|
| Current lease liabilities | 72.53 | 74.52 |
| Non-Current lease liabilities | 141.92 | 125.65 |
| Total | 214.45 | 200.17 |

(e) The following is the movement in lease liabilities

| | | |
|---------------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 200.17 | 164.87 |
| Addition during the year | 109.01 | 119.00 |
| Finance cost accrued during the year | 19.64 | 17.38 |
| Payment of lease liabilities | (114.37) | (101.08) |
| Balance at the end of the year | 214.45 | 200.17 |

(f) Contractual maturities of lease liabilities is as under :-

(₹ In lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|----------------------------------------------------|--------------------------|--------------------------|
| Within one year | 87.60 | 88.41 |
| More than one year but not more than three years | 123.68 | 111.46 |
| More than three years but not more than five years | 32.09 | 28.80 |
| More than five years | - | - |
| Total Minimum Lease payments | 243.37 | 228.67 |
| Less Amount representing finance charges | 28.92 | 28.50 |
| Present value of minimum lease payments | 214.45 | 200.17 |

The Company does not face any significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The discounted rate applied to lease liabilities is 9.80% p.a.

- (g) The Company incurred ₹1.86 lakhs (previous year ₹11.56) during the year towards expense relating to short term leases having tenure less than 12 months.

2 Company as a lessor

The Company has given on lease certain portion of its office / factory premises under operating leases. These leases are not cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation for the year in respect of such portion of the leased premises are not separately identifiable. These assets have not been classified as Investment property as it does not meet the criteria specified in INDAS 40. Rental income amounting to ₹28.03 Lakhs (Previous year ₹26.75 Lakhs) in respect of these leases is recognised in the statement of profit and loss under Note 32 "Other income".

Total of future minimum lease rent receipts on an undiscounted basis are as follows:-

| | | |
|---------------------------------------------------|-------|-------|
| Not Later than one year | 29.28 | 13.74 |
| Later than one year but not later than five years | 43.46 | 1.29 |
| Later than five years | - | - |

3 (c) Capital work in progress

(₹ In lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|---------------------------------------------|--------------------------|--------------------------|
| Carrying amount of Capital work-in-progress | 994.43 | 1226.20 |
| | <u>994.43</u> | <u>1226.20</u> |

Capital Work in Progress ageing schedule for the year ended 31st March, 2025

(₹ In lakhs)

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--------------------------------|---------------------|-------------|-----------|----------------------|---------------|
| Projects in progress | 993.36 | 1.07 | - | - | 994.43 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | <u>993.36</u> | <u>1.07</u> | <u>-</u> | <u>-</u> | <u>994.43</u> |

Capital Work in Progress ageing schedule for the year ended 31st March, 2024

(₹ In lakhs)

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--------------------------------|---------------------|-----------|-----------|----------------------|----------------|
| Projects in progress | 1226.20 | - | - | - | 1226.20 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | <u>1226.20</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1226.20</u> |

Capital work in progress where completion is overdue or has exceeded its cost compared to its original plan. The project wise detail of when the project is expected to be completed is given below as at 31st March 2025 and 31st March 2024 as under :-

As at 31st March 2025

| Particulars | Overdue Projects to be completed in | | | | Total |
|---------------------------------------|-------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Where completion is overdue | - | - | - | - | - |
| Where Cost exceeded its original plan | - | - | - | - | - |
| Total | - | - | - | - | - |

As at 31st March 2024

| Particulars | Overdue Projects to be completed in | | | | Total |
|---------------------------------------|-------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Where completion is overdue | - | - | - | - | - |
| Where Cost exceeded its original plan | - | - | - | - | - |
| Total | - | - | - | - | - |

3 (d) Other Intangible Assets

(₹ In lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------|--------------------------|--------------------------|
| Carrying amount of | | |
| Computer Software | 1.54 | 1.54 |
| Total Intangible Assets | 1.54 | 1.54 |

(₹ In lakhs)

| Particulars | Computer Software |
|------------------------------------------------------------------|-------------------|
| Cost or Deemed Cost | |
| Balance at 01st April 2024 | 4.44 |
| Additions | - |
| Adjustments/Transfer | - |
| Deletions | - |
| Balance at 31st March 2025 | 4.44 |
| Accumulated depreciation as at 1st April 2024 | 2.90 |
| Depreciation for the year | - |
| Accumulated depreciation on deletions | - |
| Accumulated depreciation as at 31st March 2025 | 2.90 |
| Carrying amount as of 31st March 2025 | 1.54 |
| Carrying amount as of 1st April 2024 | 1.54 |
| Cost or Deemed Cost | |
| Balance at 01st April 2023 | 4.44 |
| Additions | - |
| Adjustments/Transfer | - |
| Deletions | - |
| Balance at 31st March 2024 | 4.44 |
| Accumulated depreciation as at 1st April 2023 | 2.90 |
| Depreciation for the year | - |
| Accumulated depreciation on deletions | - |
| Accumulated depreciation as at 31st March 2024 | 2.90 |
| Carrying amount as of 31st March 2024 | 1.54 |
| Carrying amount as of 1st April 2023 | 1.54 |

Note:

- These intangible assets are not internally generated.
- Intangible assets under development is ₹Nil (previous year Nil)
- The Company has not revalued its Intangible Assets during the year.
- Refer Note No. 2.3(c) for option used by the Company to use carrying amount of previous GAAP as deemed cost as on 1st April 2016.

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 4 Investments (Non Current)* | | |
| Investments carried at fair value through Profit or loss (FVTPL) | | |
| Investment in equity instruments (quoted) fully paid up | | |
| 990 (31st March 2024 : 990) equity shares of ICICI Bank Ltd ₹2/- each fully paid) | 13.35 | 10.85 |
| 1280000 (31st March 2024 : 1280000) equity shares of Adinath Textiles Ltd ₹10/- each fully paid up | 311.68 | 352.13 |
| 250 (31st March 2024 : 250) equity shares of Rudra Ecovation Ltd. erstwhile name Himachal Fibres Ltd ₹1/- each fully paid up | 0.10 | 0.10 |
| 20 (31st March 2024: 20) equity shares of Pasupati Spng. & Weaving Mills Ltd ₹10/- each fully paid up | 0.01 | 0.01 |
| Investment in equity instruments (unquoted) fully paid up | | |
| 23500 (31st March 2024 : 23500) equity shares of Fountain Tie Up Pvt Ltd ₹10/- each fully paid up | 54.50 | 53.35 |
| 5 (31st March 2024 : 5) equity shares of Raheja Chamber Premises Society Ltd ₹50/- each fully paid up | - ** | - ** |
| 50 (31st March 2024 : 50) equity shares of Aurangabad Paper Mill Ltd ₹10/- each fully paid up | - | - |
| TOTAL | 379.64 | 416.44 |
| 1. Aggregate book value of quoted investments | 203.68 | 203.68 |
| 2. Aggregate Market value of quoted investments | 325.14 | 363.09 |
| 3. Aggregate book value of unquoted investments | 1.90 | 1.90 |
| 4. Aggregate Carrying value of unquoted investments | 54.50 | 53.35 |
| 5. Aggregate amount of impairment in value of investments | - | - |
| *Refer Note 54 | | |
| **Read as ₹250/- | | |
| 5 Financial Asset: Loans* | | |
| Non Current | | |
| Financial assets at amortized cost considered good - unsecured | | |
| Loan to employees | 5.60 | 6.88 |
| TOTAL | 5.60 | 6.88 |
| Note: Loan or advances granted to promoters, directors, KMP's and other related parties is ₹Nil (31st March 2024 Nil) | | |
| *Refer Note 54 | | |
| 6 Other financial assets* | | |
| Non Current (Financial assets at amortized cost) | | |
| (unsecured considered good, unless otherwise stated) | | |
| Banks Deposits with more than 12 months maturity # | 161.62 | - |
| Others | | |
| -Interest accrued on fixed deposits | 7.51 | - |
| TOTAL | 169.13 | - |
| #Includes ₹161.62 lakhs (31st March 2024 ₹Nil), kept as fixed deposits against bank guarantees, letter of credits and other commitments | | |
| *Refer Note 54 | | |
| 7 Other non current assets | | |
| (Unsecured considered good) | | |
| Capital Advances | 1,883.91 | 245.36 |
| Advances other than Capital Advances | | |
| Security Deposits | 459.23 | 473.67 |
| Prepaid expenses | 21.41 | 26.44 |
| Balances with Statutory/Government Authorities | 67.12 | 65.88 |
| Deferred Expense for Employee Benefit (Loan) | 0.14 | 0.16 |
| TOTAL | 2,431.81 | 811.51 |

8 Inventories (At cost or net realizable value whichever is lower)

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------|--------------------------|--------------------------|
| Raw materials | 1,683.79 | 1,856.87 |
| Work in Progress | 243.42 | 225.09 |
| Finished Goods | 399.06 | 478.98 |
| Stores, Spares and components | 2,052.16 | 2,505.61 |
| Material in Transit | | |
| - Raw Material | 367.64 | 38.74 |
| - Store, Spares and components | 42.99 | 76.20 |
| | 4,789.06 | 5,181.49 |

Notes:

1. The cost of inventories recognised as an expense during the year were ₹28947.26 lakhs (31st March 2024 : ₹32293.96 lakhs).
2. The mode of valuation of inventories has been stated in Note 2.3 (f) on Accounting policy for inventories.
3. Refer to note 39 for information on inventories pledged as security by the Company.

9 Investments (current)***Investments carried at Fair value through Profit or loss****Investment in Equity Fund/Liquid Funds/Debt Funds (Quoted)**

| | | |
|----------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| 100000 (31st March 2024 : 100000) units of ₹10 each of SBI Banking Financial Services Fund-GP | 38.65 | 32.91 |
| 4834744.563 (31st March 2024 : 4834744.563) units of ₹10/- each of Kotak Balanced Advantage Fund -GP | 938.37 | 864.45 |
| 433703.198 (31st March 2024 : 433703.198) units of ₹10/- each of DSP Short Term Fund -GP | 197.63 | 183.18 |
| 781961.513 (31st March 2024 : 781961.513) units of ₹10/- each of Nippon India Short Term Fund-GP | 403.34 | 372.59 |
| 6110191.53 (31st March 2024 : 6110191.53) units of ₹10/- each of Axis Equity Saver Fund - GP | 1,305.75 | 1,223.26 |
| 14097.737 (31st March 2024 : 14097.737) units of ₹1000/- each of Axis Banking & PSU Debt Fund - Growth | 363.59 | 336.66 |
| 2148381.665 (31st March 2024 : 2148381.665) units of ₹10/- each of ICICI Prudential Balanced Advantage Fund - GP | 1,490.12 | 1,384.63 |
| 1156588.157 (31st March 2024 : 1156588.157) units of ₹10/- each of ICICI Prudential Banking And PSU Debt Fund- Growth | 370.63 | 343.00 |
| 2353350.782 (31st March 2024 : 2353350.782) units of ₹10/- each of ICICI Prudential Short Term Fund - Growth Option | 1,384.42 | 1,281.09 |
| 613195.977 (31st March 2024 : 613195.977) units of ₹10/- each of ICICI Prudential Balanced Advantage Fund- Direct Plan- Growth | 473.63 | 437.45 |
| 2908299.742 (31st March 2024 : 2908299.742) units of ₹10/- each of Tata Balanced Advantage Fund - Regular Plan - Growth | 569.75 | 544.00 |
| 104572.721 (31st March 2024 : 104572.721) units of ₹10/- each of HDFC Balanced Advantage Fund - Regular Plan - Growth | 512.75 | 472.14 |
| 624882.834 (31st March 2024 : 624882.834) units of ₹10/- each of IDFC Bond Fund - Medium Term Plan - Growth -(Regular Plan) | 279.88 | 259.27 |
| 1248498.874 (31st March 2024 : 1248498.874) units of ₹10/- each of ICICI Prudential Balanced Advantage Fund - Growth | 865.96 | 804.66 |
| 1008037.275 (31st March 2024 : 1008037.275) units of ₹10/- each of ICICI Prudential Balanced Advantage Fund- Direct Plan- Growth | 778.61 | 719.13 |
| 653811.181 (31st March 2024 : 653811.181) units of ₹10/- each of Edelweiss Balanced Advantage Fund- GP | 316.12 | 297.22 |
| 300 (31st March 2024 : 300) units of Edelweiss Alternative Asset Advisors Zero Coupon Bonds of ₹100000/- each | 349.41 | 319.83 |

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| Investment in Equity Fund/Liquid Funds/Debt Funds (Quoted) Contd. | | |
| 23924.7616 (31st March 2024 : 25395.875) units of ₹1000/- each of Kotak pre IPO Opportunity Fund | 253.59 | 246.25 |
| 239.394 (31st March 2024 : 259.50) units of ₹100000/- each of Emerging India Credit Opportunities Fund | 252.18 | 276.24 |
| 307.500 (31st March 2024 : Nil) units of ₹100000/- each of Emerging India Credit Opportunities Fund II | 307.50 | - |
| 258.0398 (31st March 2024 : 258.0398) units of ₹100000/- each of Kotak Optimus Moderate Scheme Class A | 397.16 | 387.32 |
| 50 (31st March 2024 : 50) Nuvama Wealth Finance Ltd : Gold MCX Linked Security NCD | 712.50 | 712.50 |
| 80 (31st March 2024 : 80) Edelweiss Alternative Asset Advisors Ltd-GSEC Link NCD | 981.54 | 943.65 |
| Nil (31st March 2024 : 30) Nuvama Wealth Finance Ltd : Leap Index Linked Security NCD | - | 357.14 |
| Nil (31st March 2024: 30) ECAP Equities Ltd LEAP Index Linked Security NCD | - | 337.17 |
| 49 (31st March 2024 : 49) Nuvama Wealth Finance Limited LEAP Index Linked Security NCD | 684.09 | 684.09 |
| 732399.56 (31st March 2024 : 732399.56) Aditya Birla Sun Life Dynamic Bond Fund-Direct Plan-Growth | 356.95 | 325.00 |
| 775441.573 (31st March 2024 : 775441.573) Aditya Birla Sun Life Dynamic Bond Fund -Regular Plan Growth | 352.82 | 323.13 |
| 62602.857 (31st March 2024: 62602.857) units of ICICI Prudential Multi Asset Fund-Growth | 450.59 | 397.69 |
| 57867.577 (31st March 2024 : 57867.577) ICICI Prudential Multi Asset Fund-Direct Plan-Growth | 457.29 | 400.52 |
| 29998.50 (31st March 2024 : 29998.50) Tata Equity Plus Absolute Return | 358.14 | 346.23 |
| 3378.6699 (31st March 2024 : 3759.8189) Kotak Private Credit Fund AIF | 374.72 | 391.05 |
| Nil (31st March 2024 : 50) 8.6179% Cholamandalam Invnt 2024-Bonds | - | 500.01 |
| Nil (31st March 2024 : 20) Vivriti Capital Private Limited Br NCD | - | 226.36 |
| 1118424.734 (31st March 2024 : 1118424.734) Hdfc Short Term Debt Fund-Regular Plan- Growth | 350.17 | 323.06 |
| 1091120.385 (31st March 2024 : 1091120.385) Hdfc Short Term Debt Fund-Direct Plan- Growth | 352.27 | 323.98 |
| 971860.009 (31st March 2024 : 971860.009) ICICI Prudential All Seasons Bond Fund-Growth | 352.00 | 323.76 |
| 914270.652 (31st March 2024 : 914270.652) ICICI Prudential All Seasons Bond Fund-Direct Plan-Growth | 357.08 | 326.11 |
| 500000 (31st March 2024 : 500000) Clarus Capital 1 AIF Class CI SI Regular | 604.32 | 535.26 |
| 50 (31st March 2024 : 50) Nuvama Wealth Finance Ltd : Nifty 50 Index Linked Security NCD | 732.00 | 732.00 |
| NIL (31st March 2024: 32199.057) units of ₹10/- each of Tata Money Market Fund-Regular Plan-Growth | - | 1,384.82 |
| 69980.241 (31st March 2024 : NIL) units of ₹10/- each of SBI Banking & Financial Services Fund-Direct Plan-Growth | 30.11 | - |
| 184887.183 (31st March 2024: NIL) units of ₹10/- each of SBI Multicap Fund-Direct Plan-Growth | 29.95 | - |
| 30086810.981 (31st March 2024: 9923507.714) units of ₹10/- each of Tata Arbitrage Fund-Regular Plan-Growth | 4,252.68 | 1,308.11 |
| Total Current Investments | 23,638.26 | 21,986.92 |

Notes:

- | | | |
|--------------------------------------------------------------------------------------------------------------|-----------|-----------|
| 1. Aggregate book value of quoted investments | 17,707.81 | 17,206.29 |
| 2. Aggregate Market value of quoted investments | 23,638.26 | 21,986.92 |
| 3. Aggregate amount of impairment in value of investments | - | - |
| 4. Refer to note 39 for information on Investments pledged as security by the Company. | | |
| 5. During the financial year, the Company has not traded or invested in Crypto Currency or Virtual Currency. | | |

* Refer Note 40 and 54.

10 Trade receivables***(₹ in lakhs)**

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------------------|--------------------------|--------------------------|
| Trade Receivable Considered good, Secured | 145.90 | 172.24 |
| Trade Receivable Considered good, Unsecured | 3,576.68 | 2,798.20 |
| Trade Receivable with significant credit risk | 11.73 | 2.33 |
| Trade Receivable with credit impaired | 0.17 | 0.05 |
| | <u>3,734.48</u> | <u>2,972.82</u> |
| Less: Allowances for expected credit loss | (33.90) | (36.70) |
| Less: Allowances for doubtful trade receivables | (11.90) | (2.38) |
| Total | <u>3,688.68</u> | <u>2,933.74</u> |

Trade Receivables ageing schedule for the year ended as on 31st March, 2025 is as follow

(₹ in lakhs)

| Particulars | Outstanding from due date of payment | | | | | | Total |
|------------------------------------------------------------------------------|--------------------------------------|--------------------|--------------------|--------------|-----------|-------------------|----------------|
| | Not due | Less than 6 months | 6 months to 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade receivables -considered good | 3099.30 | 623.11 | - | - | - | - | 3722.41 |
| Undisputed Trade receivables -which have significant increase in credit risk | - | - | - | 11.73 | - | - | 11.73 |
| Undisputed Trade receivables -credit impaired | - | - | 0.35 | - | - | - | 0.35 |
| Disputed Trade receivables -considered good | - | - | - | - | - | - | - |
| Disputed Trade receivables -which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade receivables -credit impaired | - | - | - | - | - | - | - |
| Total | 3099.30 | 623.11 | 0.35 | 11.73 | - | - | 3734.48 |
| Less: Allowance for expected credit loss/doubtful | 26.47 | 7.43 | 0.17 | 11.73 | - | - | 45.80 |
| Total Trade Receivables | 3072.83 | 615.68 | 0.18 | - | - | - | 3688.68 |

Trade Receivables ageing schedule for the year ended as on 31st March, 2024 is as follow

(₹ in lakhs)

| Particulars | Outstanding from due date of payment | | | | | | Total |
|------------------------------------------------------------------------------|--------------------------------------|--------------------|--------------------|-----------|-----------|-------------------|---------|
| | Not due | Less than 6 months | 6 months to 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade receivables -considered good | 2742.15 | 228.29 | - | - | - | - | 2970.44 |
| Undisputed Trade receivables -which have significant increase in credit risk | - | - | - | 2.33 | - | - | 2.33 |
| Undisputed Trade receivables -credit impaired | - | - | 0.05 | - | - | - | 0.05 |
| Disputed Trade receivables -considered good | - | - | - | - | - | - | - |
| Disputed Trade receivables -which have significant increase in credit risk | - | - | - | - | - | - | - |

| Particulars | Outstanding from due date of payment | | | | | | Total |
|---------------------------------------------------|--------------------------------------|--------------------|--------------------|-----------|-----------|-------------------|---------|
| | Not due | Less than 6 months | 6 months to 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Disputed Trade receivables -credit impaired | - | - | - | - | - | - | - |
| Total | 2742.15 | 228.29 | 0.05 | 2.33 | - | - | 2972.82 |
| Less: Allowance for expected credit loss/doubtful | 32.09 | 4.63 | 0.03 | 2.33 | - | - | 39.08 |
| Total Trade Receivables | 2710.06 | 223.66 | 0.02 | - | - | - | 2933.74 |

Trade receivables includes ₹Nil, (31st March 2024 ₹Nil) due from Related Party. There is no amount due from directors, other officers of the company or firm in which any director is a partner or private company in which any director is a director or member at any time during the year. The Company has used a practical expedient by computing the expected loss allowances for trade receivables based on historical credit loss experience. Refer Note 39 for information of trade receivables pledged as security by the Company.

*Refer Note 54

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|------------------------------------------------------------------------|--------------------------|--------------------------|
| 11 Cash and Cash equivalents | | |
| Balance with banks in | | |
| - Current accounts | 4.11 | 0.60 |
| - Cheques in hand | 0.33 | - |
| Cash on hand | 10.20 | 11.15 |
| | <u>14.64</u> | <u>11.75</u> |
| 12 Bank Balances (Other than cash and cash equivalents) | | |
| Earmarked balances with banks | | |
| a) Balances with banks | | |
| - In current accounts (unclaimed dividend Account) | 114.36 | 105.72 |
| b) - In Fixed Deposits (held under margin money and other commitments) | | |
| -with maturity less than 3 months | 177.46 | 207.15 |
| -with maturity more than 3 months but less than 12 months | 287.04 | 318.77 |
| -with maturity more than 12 months | 161.62 | - |
| Subtotal | <u>740.48</u> | <u>631.64</u> |
| Less Disclosed as "Non Current Financial Assets" (refer Note 6) | <u>161.62</u> | <u>-</u> |
| Total | <u>578.86</u> | <u>631.64</u> |
| 13 Financial Assets: Loans* | | |
| Financial assets at amortized cost considered good - unsecured | | |
| Inter Corporate Loans | 600.00 | 100.00 |
| Less :Allowance for expected credit loss | (10.80) | - |
| Loan to employees | 53.03 | 58.73 |
| Other Loans | 75.00 | - |
| Less :Allowance for expected credit loss | (1.35) | - |
| Advances to employees | 0.43 | 0.32 |
| | <u>716.31</u> | <u>159.05</u> |

Notes: Loan or advances granted to Promoters directors, KMP's & other related Parties is ₹Nil (31st March 2024- ₹Nil). The company has used a practical expedient by computing the expected loss allowance for loans and advances based on probability of default using new 'expected credit loss' model.

*Refer Note 54

14 Other Financial Assets*

**Financial assets at amortized cost
(unsecured considered good, unless otherwise stated)**

| | | |
|--------------------------------------|--------|-------|
| Interest Receivable | | |
| - Interest accrued on fixed deposits | 10.81 | 20.75 |
| - others | 117.13 | 75.89 |

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|------------------------------------------------|--------------------------|--------------------------|
| Other Recoverables | | |
| - Earnest money Deposit | 53.00 | 74.00 |
| - Others | 20.89 | 25.89 |
| | <u>201.83</u> | <u>196.53</u> |
| *Refer Note 54 | | |
| 15 Income Tax Asset (Net) | | |
| Income Tax receivable | - | - |
| Income Tax Liabilities (Net) | (155.10) | (130.68) |
| Income Tax payable | <u>(155.10)</u> | <u>(130.68)</u> |
| 16 Other current assets | | |
| Advances other than capital assets | | |
| Advances to vendors | 102.36 | 331.38 |
| Prepaid expenses | 163.60 | 170.46 |
| Balances with Statutory/Government Authorities | 2.70 | 2.70 |
| Security deposits | 2.99 | 0.24 |
| Deferred Expense for Employee Benefit (Loan) | 0.91 | 1.49 |
| | <u>272.56</u> | <u>506.27</u> |
| 17 Equity share capital | | |

(₹ in lakhs)

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|------------------------------------------------------------------|-----------------------|----------------|-----------------------|----------------|
| | Number | Amount | Number | Amount |
| Authorised | | | | |
| Equity shares of ₹10 each (par value) | 19000000 | 1900.00 | 19000000 | 1900.00 |
| Redeemable Cumulative Preference shares ₹100 each (par value) | 100000 | 100.00 | 100000 | 100.00 |
| Total | <u>19100000</u> | <u>2000.00</u> | <u>19100000</u> | <u>2000.00</u> |
| Issued, subscribed and fully paid-up | | | | |
| Equity shares of ₹10 each (par value) | 13825000 | 1382.46 | 13825000 | 1382.46 |
| Forfeited Shares (Amount Originally paid up) | | 0.01 | | 0.01 |
| Total | <u>13825000</u> | <u>1382.47</u> | <u>13825000</u> | <u>1382.47</u> |

a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

| | Number | Amount | Number | Amount |
|---------------------------------------------------------------------|----------|---------|----------|---------|
| Issued, subscribed and paid-up equity shares | | | | |
| Shares and share capital outstanding at the beginning of the period | 13825000 | 1382.47 | 13825000 | 1382.47 |
| Shares and share capital issued during the period | - | - | - | - |
| Shares and share capital outstanding at the end of the period | 13825000 | 1382.47 | 13825000 | 1382.47 |

b) Rights, preferences and restrictions attached to equity shares

The company presently has one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per equity share. The dividend if 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 equity shares will be entitled to receive any of the 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) The details of equity shareholders holding more than 5% of the aggregate equity shares

| Particulars | Equity shares capital | | | |
|-------------------------------------------------|--------------------------|-------------------|--------------------------|-------------------|
| | As at 31st March 2025 | | As at 31st March 2024 | |
| | Number of Shares held | % shareholding | Number of Shares held | % shareholding |
| Jagvallabh Parasnath Capital Investment (P) Ltd | 1159518 | 8.39% | 1159518 | 8.39% |
| Adeep Investment Company | 737395 | 5.33% | 737395 | 5.33% |
| Ojasvi Investment & Mercantile Company | 752500 | 5.44% | 752500 | 5.44% |
| Levina Investment & Mercantile Company | 987565 | 7.14% | 987565 | 7.14% |
| Mood Dealers Pvt. Ltd | 2060000 | 14.90% | 2060000 | 14.90% |
| Achin Investment & Mercantile Company | 717150 | 5.19% | 717150 | 5.19% |

d) Detail of Shares held by holding company/ ultimate holding company their subsidiaries and associates

There is no holding /ultimate holding company of the company and therefore no subsidiary/associate of holding /ultimate holding company.

e) Aggregate number and class of share allotted as fully paid-up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of five year immediately preceding the balance sheet date:

| Particulars | Period ended 31st March 2025 No's | Period ended 31st March 2024 No's |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Equity shares allotted as fully paid up pursuant to contract (s) without payment being received in cash | - | - |
| Equity shares allotted as fully paid up by way of bonus shares | - | - |
| Equity shares bought back by the Company | - | - |

f) Shareholding of Promoters

| Name | As at 31st March 2025 | | | As at 31st March 2024 | | |
|------------------------------------------------|-------------------------|-------------------|-----------------------------|-------------------------|-------------------|-----------------------------|
| | Number of Equity shares | % of total shares | %age change during the year | Number of Equity shares | % of total shares | %age change during the year |
| Individual /HUF Promoters | | | | | | |
| Kunal Oswal | 85250 | 0.62% | - | 85250 | 0.62% | - |
| Priti Oswal | 60000 | 0.43% | - | 60000 | 0.43% | - |
| Rajneesh Oswal | 54975 | 0.40% | - | 54925 | 0.40% | - |
| Vishal Oswal | 48726 | 0.35% | - | 48676 | 0.35% | - |
| Nirmal Kumari Oswal | - | - | - | - | - | - |
| | 248951 | 1.80% | - | 248851 | 1.80% | - |
| Promoter - Body Corporates | | | | | | |
| Jagvallah Parasnath Capital Investment Pvt Ltd | 1159518 | 8.39% | - | 1159518 | 8.39% | - |
| Levina Investment And Mercantile Co | 987565 | 7.14% | - | 987565 | 7.14% | - |
| Ojasvi Investment And Mercantile Co | 752500 | 5.44% | - | 752500 | 5.44% | - |
| Adeep Investment Co | 737395 | 5.33% | - | 737395 | 5.33% | - |
| Achin Investment And Mercantile Co | 717150 | 5.19% | - | 717150 | 5.19% | - |
| Virat Investment & Mercantile Co | 595100 | 4.30% | - | 595100 | 4.30% | - |
| Limelite Consultants Pvt Ltd | 489640 | 3.54% | - | 489640 | 3.54% | - |
| Sulzer Investment Pvt Ltd | 489000 | 3.54% | - | 489000 | 3.54% | - |
| Noble Share Trading Pvt Ltd | 486000 | 3.52% | - | 486000 | 3.52% | - |
| Shreyans Financial And Capital Services Ltd | 322500 | 2.33% | - | 322500 | 2.33% | - |
| | 6736368 | 48.72% | - | 6736368 | 48.72% | - |

g) The Board has proposed a Dividend of ₹3.00/- per equity share and special dividend of ₹2.00/- per equity share of face value ₹10/- each for the financial year ended 31st March, 2025. (31st March, 2024 ₹5/- per equity share)

| | | (₹ in lakhs) | |
|-------------------------|-------------|----------------------------------|----------------------------------|
| 18 Other Equity* | | | |
| A Particulars | Note | As at 31st March 2025 | As at 31st March 2024 |
| a. Capital reserve | I (a) | | |
| Opening balance | | 2.10 | 2.10 |
| Additions | | - | - |
| Deductions | | - | - |
| Closing balance | | 2.10 | 2.10 |
| b. Securities premium | I (b) | | |
| Opening balance | | 1923.75 | 1,923.75 |
| Additions | | - | - |
| Deductions | | - | - |
| Closing balance | | 1923.75 | 1,923.75 |
| c. General reserve | I (c) | | |
| Opening balance | | 3896.69 | 3,896.69 |
| Additions | | - | - |
| Deductions | | - | - |
| Closing balance | | 3896.69 | 3,896.69 |

| | | (₹ in lakhs) | |
|-----------------------------------------|-------|--------------------------|--------------------------|
| A Particulars | Note | As at 31st March 2025 | As at 31st March 2024 |
| d. Retained earnings | I (d) | | |
| Opening balance | | 31,108.63 | 23,057.81 |
| Additions | | 5,060.14 | 8742.05 |
| Deductions - Dividend | | (691.23) | (691.23) |
| Closing balance | | 35,477.54 | 31,108.63 |
| e. Items of other comprehensive income: | I (e) | | |
| Opening balance | | (17.97) | (73.46) |
| Additions | | (21.29) | 55.49 |
| Deductions | | - | - |
| Closing balance | | (39.26) | (17.97) |
| Total | | 41,260.82 | 36,913.20 |

* Refer Statement of Changes in Equity for movement during the year

Note

I Nature and purpose of reserve

- a) **Capital reserve:** The amount of Capital profit on re-issue of forfeited shares is recognised as Capital Reserve.
- b) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be utilized in accordance with the provisions of the Companies Act 2013, for issuance of bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc
- c) **General Reserve:** General Reserves are the free reserves of the Company which are kept aside out of Company's profit to meet future requirement as and when they arise. The Company had transferred a portion of the profit after tax to General reserves pursuant to the earlier provisions of the Companies Act '1956. Mandatory transfer to General Reserve is not required under the Companies Act 2013.
- d) **Retained earnings:** Retained earnings are the accumulated profit earned by the Company till date less transfer to General Reserve and payment of Dividend (including dividend distribution tax where applicable).
- e) **Other Comprehensive Income:** The reserve represents cumulative gain and loss on remeasurement of defined benefit plan and return on plan assets (excluding amount included in net interest). The balance in the reserve can be transferred to retained earnings as and when the company decides to do so.

| | | (₹ in lakhs) | |
|----------------------------------------------|--|-------------------------------|-------------------------------|
| II Dividend on Equity Shares (refer note 47) | | Year ended 31st March 2025 | Year ended 31st March 2024 |
| Particulars | | | |
| Proposed Dividend for the year | | 691.23 | 691.23 |

| | | (₹ in lakhs) | | | |
|---------------------------------------------------------------|--|--------------------------|---------------|--------------------------|---------------|
| B Preference share capital | | As at 31st March 2025 | | As at 31st March 2024 | |
| Particulars | | Number | Amount | Number | Amount |
| Authorised | | | | | |
| Redeemable Cumulative Preference shares ₹100 each (par value) | | 100000 | 100.00 | 100000 | 100.00 |

Rights, Preference and Restrictions attached to preference shares

The company has not issued preference shares during the current and previous year.

19 Borrowings (Non-Current) (₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|----------------------------------------------------|--------------------------|--------------------------|
| (At amortised cost) | | |
| Secured | | |
| Term Loans | | |
| From Banks | 1,110.51 | 940.27 |
| Less :Current maturities of non current borrowings | 293.68 | 620.70 |
| Unsecured | | |
| Deposits | | |
| From Public | 12.25 | 200.96 |
| Less: Current maturities of non current deposits | 12.25 | 188.71 |
| Total | 816.83 | 331.82 |

a Details of security for term loans

- i Refer Note No. 39 for details of carrying amount of assets pledged as security for secured borrowings and Note No. 54 for information about liquidity and Market risk on borrowings.
- ii Term loans from banks for vehicles are secured by way of hypothecation of vehicles purchased out of such loans.

b Terms of repayment of term loans from banks

| Borrowings | ₹ in lakhs | | Installment Schedule | | | | | |
|---------------|-----------------|-----------------|-----------------------|-----------------------|--------------------|---------------------------------------------------------------|--------------------------|-----------------------|
| Particulars | Balance as at | | Number of Installment | | Rate of Interest % | Installment ₹ lakhs | Periodicity of repayment | |
| | 31st March 2025 | 31st March 2024 | As at 31st March 2025 | As at 31st March 2024 | | | As at 31st March 2025 | As at 31st March 2024 |
| ICICI | 207.23 | 704.57 | 5 | 17 | 9.05 | 41.45 | Monthly | Monthly |
| Deutsche Bank | 800.00 | - | 5 | - | 8.30 | ₹40 Lakhs annual for four years, Balance at end of fifth year | Annual | - |
| Deutsche Bank | - | 89.06 | - | 5 | - | 20.00 | Repaid during the year | Quarterly |
| HDFC Bank Ltd | 91.63 | 131.22 | 25 | 37 | 6.80 | 3.94 | Monthly | Monthly |
| HDFC Bank Ltd | 11.65 | 15.42 | 32 | 44 | 8.01 | 0.41 | Monthly | Monthly |
| Total | 1110.51 | 940.27 | | | | | | |

c Terms of repayment of term loans from others

Repayment schedule of unsecured loans/deposits from public is within period of 3 years from the date of acceptance and carry interest upto 9% p.a (Previous year upto 9% p.a)

- d The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.
- e The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

20 Lease Liabilities (Non current)**(₹ in lakhs)**

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|---------------------------------------------------------|--------------------------|--------------------------|
| Financial liabilities at amortized cost | | |
| Lease liability for Right of Use Assets (Refer note 3b) | 141.92 | 125.65 |
| | <u>141.92</u> | <u>125.65</u> |
| 21 Other Financial Liabilities (Non current) | | |
| Financial liabilities at amortized cost | | |
| Other Financial liabilities | | |
| Security Deposits | 14.17 | 8.42 |
| | <u>14.17</u> | <u>8.42</u> |
| 22 Provisions (Non current) | | |
| Provision for employee benefits : | | |
| - Gratuity (Net) (refer note 41) | 729.07 | 498.31 |
| - Compensated Absences | 331.81 | 286.11 |
| | <u>1,060.88</u> | <u>784.42</u> |
| 23 Deferred Tax Liability (Net) | | |
| a) Deferred Tax Liability | | |
| Property, Plant and Equipment | 3,123.33 | 3,059.50 |
| Investments measured at FVTPL | 964.97 | 731.73 |
| | <u>4,088.30</u> | <u>3,791.23</u> |

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| b) Deferred Tax Asset | | |
| Expenditure deductible in future years (on Payment basis) | 315.92 | 272.60 |
| | <u>315.92</u> | <u>272.60</u> |
| Net (a-b) | <u>3,772.38</u> | <u>3,518.63</u> |
| Deferred Tax Assets and Deferred Tax Liability have been offset as they relate to the same governing taxation laws. (Refer Note No. 51 for deferred tax movement and related disclosures) | | |
| 24 Other non current liabilities | | |
| Deferred Government Grant related to Property, plant and equipment | 54.39 | 61.85 |
| Others Payables | | |
| Due To Employees | 14.88 | 22.72 |
| | <u>69.27</u> | <u>84.57</u> |
| 25 Financial Liabilities: Borrowings (current) (at Amortised Cost) | | |
| a) Loan repayable on demand | | |
| From banks | | |
| Secured | 1510.67 | 478.28 |
| From Others | | |
| Secured | | |
| Inter Corporate Borrowings | - | 800.00 |
| Unsecured | | |
| Loans and advances from Related Parties (refer Note 53) | 1642.16 | 782.16 |
| b) Deposits (Unsecured) | | |
| - From public | - | 2.25 |
| c) Current maturities of Long term borrowings | | |
| Current Maturities of Long term borrowings - Secured | 293.68 | 620.70 |
| Current Maturities of Deposits - Unsecured | 12.25 | 188.71 |
| | <u>3,458.76</u> | <u>2,872.10</u> |

Details of security for loans repayable on demand (secured)

- Working capital borrowings from banks ₹1510.67 lakhs (31st March 2024: ₹381.28 lakhs) are secured by hypothecation of stocks of raw materials, finished goods, bills receivables, book debts and all other movable assets of the company and further secured by way of second charge on the immovable assets situated at village Banah and at Ahmedgarh (Refer Note 39).
- The Company has obtained overdraft facility from Bank against pledge of current investment as stated in Note No 9. The outstanding balance against this facility is ₹Nil (31st March 2024: ₹97 Lakhs) (refer Note 39)
- The Company has obtained borrowings ₹Nil (31st March 2024 ₹800 Lakhs) from Deutsche India Investments Pvt Limited against pledge of current investment as stated in Note No 9. (Refer Note No 39)

Other disclosures w.r.t Borrowings

- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The company has taken borrowings from banks on the basis of security of current assets. The quarterly returns/statements filed by the company with the banks are in agreement with the books of account.
- The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- As at 31st March 2025, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges for which the underlying loans have been repaid. The Company is in process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.

26 Lease Liabilities (current)**Financial liabilities at amortized cost**

- Lease liability for Right to Use Assets (Refer Note 3b)

72.53

74.52

72.5374.52

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 27 Trade Payable | | |
| Outstanding dues of Micro Enterprises and Small Enterprises | 806.42 | 1,211.00 |
| Outstanding dues of creditors other than dues to Micro Enterprises and Small Enterprises | 4,217.46 | 3,240.28 |
| Total Trade Payable | 5,023.88 | 4,451.28 |

Refer Note 54 for Risk management

27.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The details of amounts outstanding to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

| | | | |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|---------|
| i | the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year | | |
| | - Principal | 806.42 | 1211.00 |
| | - Interest | 21.95 | 32.43 |
| ii | the amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of payment made to the supplier beyond the appointed day during the period | 2.48 | 29.95 |
| iii | the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006. | - | - |
| iv | the amount of interest accrued and remaining unpaid at the end of each accounting year | 21.95 | 32.43 |
| v | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

27.2 Trade Payable ageing schedule for the year ended as on 31st March, 2025 is as follow

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------|------------------------------------------------------------|------------------|--------------|-------------|-------------------|----------------|
| | Not due | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | 798.19 | 8.23 | - | - | - | 806.42 |
| Others | 3824.13 | 331.14 | 14.07 | 0.88 | 47.24 | 4217.46 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 4622.32 | 339.37 | 14.07 | 0.88 | 47.24 | 5023.88 |

27.2 Trade Payable ageing schedule for the year ended as on 31st March, 2024 is as follow

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------|------------------------------------------------------------|------------------|-------------|-------------|-------------------|----------------|
| | Not due | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | 1169.55 | 41.45 | - | - | - | 1211.00 |
| Others | 3002.15 | 188.71 | 2.06 | 5.44 | 41.92 | 3240.28 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 4171.70 | 230.16 | 2.06 | 5.44 | 41.92 | 4451.28 |

28 Other Financial Liabilities (current)*

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------------------|--------------------------|--------------------------|
| (at Amortised cost) | | |
| Other Financial Liabilities | | |
| Interest accrued but not due on borrowings | 221.31 | 196.77 |
| Interest accrued and due on borrowings | 4.94 | 0.72 |
| Security Deposits | 767.66 | 644.18 |

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------------------------------------------------------|--------------------------|--------------------------|
| Others Payables | | |
| - Due to Employees | 826.06 | 810.72 |
| - Expense payable** | | |
| a) payable to micro enterprises and small enterprises | 1.59 | 15.80 |
| b) payable to other than micro enterprises and small enterprises | 1,257.14 | 2,179.20 |
| - Unclaimed dividend# | 114.36 | 105.72 |
| - CSR Unspent Amount | 44.66 | - |
| - Payable on purchases of Property, Plant and Equipment | | |
| a) outstanding dues of micro enterprises and small enterprises | - | - |
| b) outstanding dues of creditors other than micro enterprises and small enterprises | 181.35 | 122.61 |
| | <u>3,419.07</u> | <u>4,075.72</u> |

*Refer Note 54

**Expenses payable includes commission payable to Directors ₹365.74 Lakhs (31st March 2024 ₹540.44 Lakhs)

As at the year end there is no amount due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013.

29 Other current Liabilities

| | | |
|-------------------------------------------------------------------|---------------|-----------------|
| Advances from customers | 284.79 | 513.59 |
| Deferred Government Grant related to Property plant and equipment | 7.46 | 7.45 |
| Others Payables | | |
| Other Advances | 14.35 | 25.10 |
| Statutory remittances* | 358.22 | 489.79 |
| | <u>664.82</u> | <u>1,035.93</u> |

* Statutory remittances includes contribution to provident fund and employee state insurance corporation, tax deducted/collected at source, goods and service tax, labour welfare fund, Punjab state development tax etc.

30 Provisions (current)

| | | |
|-----------------------------------|---------------|---------------|
| Provision for employee benefits : | | |
| - Compensated Absences | 214.35 | 215.59 |
| | <u>214.35</u> | <u>215.59</u> |

31 Revenue from operations

(₹ in lakhs)

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| Sale of products | | |
| Paper | 55,324.08 | 61,943.94 |
| Soda Ash (from Chemical Recovery) | 6,078.88 | 7,648.81 |
| Other Operating Revenues | | |
| Export Incentives | - | 10.38 |
| Miscellaneous Sales | 273.67 | 313.69 |
| | <u>61,676.63</u> | <u>69,916.82</u> |

32 Other income

| | | |
|------------------------------------------------------------------|----------|----------|
| Interest income from financial assets measured at amortised cost | | |
| Interest on Bank deposits | 45.23 | 44.12 |
| Interest from Others | 310.69 | 199.31 |
| Dividend Income from Non current Investments carried at FVTPL | 0.10 | 0.08 |
| Net Gain on sale of Investments -carried at FVTPL | 227.41 | 124.67 |
| Net Gain on fair value of Investments carried at FVTPL | 1,113.02 | 3,007.19 |
| Foreign exchange fluctuation gain (net) | 20.79 | 43.78 |
| Provisions no longer required written back | 12.76 | 28.67 |

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Balances written back (Net) | 2.39 | 1.06 |
| Rent Received | 28.03 | 26.75 |
| Interest income on employee loans | 2.27 | 2.68 |
| Miscellaneous | 18.38 | 19.64 |
| | <u>1,781.07</u> | <u>3,497.95</u> |
| 33 Cost of material consumed | | |
| Raw material consumed | | |
| Opening Stock of Raw material | 1,856.87 | 2,282.78 |
| Purchases of Raw material | 26,459.94 | 30,007.01 |
| Less Closing Stock | 1,683.79 | 1,856.87 |
| Consumption of Raw material | <u>26,633.02</u> | <u>30,432.92</u> |
| Item wise detail | | |
| Wood Pulp | 5,312.40 | 5,224.43 |
| Straws/Grasses | 6,981.43 | 11,533.83 |
| Caustic Lye | 9,428.44 | 8,404.00 |
| Other Dyes & Chemicals | 4,910.75 | 5,270.66 |
| | <u>26,633.02</u> | <u>30,432.92</u> |
| 34 Changes in inventories of finished goods and work in progress | | |
| Opening Stock | | |
| Work in Progress | 225.09 | 317.27 |
| Finished goods | 478.98 | 312.99 |
| | <u>704.07</u> | <u>630.26</u> |
| Closing Stock | | |
| Work in Progress | 243.42 | 225.09 |
| Finished goods | 399.06 | 478.98 |
| | <u>642.48</u> | <u>704.07</u> |
| Net (Increase) / Decrease | 61.59 | (73.81) |
| 35 Employee benefit expenses | | |
| Salaries, wages and other allowances | 7,289.82 | 6,848.58 |
| Contribution to provident and other funds | 509.51 | 483.08 |
| Staff welfare expense | 78.53 | 80.55 |
| | <u>7,877.86</u> | <u>7,412.21</u> |
| Employee benefit expenses includes remuneration of ₹1480.00 lakhs (Previous year ₹1559.04 Lakhs) paid to Key Managerial Personnel. | | |
| 36 Finance costs | | |
| a) Interest expenses | | |
| - on Term loan | 108.13 | 88.26 |
| - on Working capital borrowings | 70.77 | 39.46 |
| - on Lease liabilities | 19.64 | 17.38 |
| - others | 176.81 | 249.11 |
| b) Other borrowing costs | 36.24 | 31.15 |
| | <u>411.59</u> | <u>425.36</u> |

Interest paid to others includes Interest paid to Related Parties ₹64.37 lakhs (31st March 2024 ₹48.92 lakhs), Refer Note no. 53

37 Other expenses

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|---------------------------------------------------|---------------------------------------|---------------------------------------|
| Power and fuel | 10,919.29 | 15,102.38 |
| Consumption of stores and spares parts | 560.07 | 570.06 |
| Packing material | 1,099.49 | 1,105.56 |
| Repairs and Maintenance | | |
| - Property, Plant and equipment | 2,332.74 | 1,770.96 |
| - Building | 199.55 | 332.81 |
| - Others | 16.75 | 19.94 |
| Water drawl and extraction charges | 454.54 | 613.56 |
| Rent | 1.86 | 11.56 |
| Insurance Charges | 166.73 | 165.69 |
| Expenditure on CSR Activities (refer note 48) | 99.03 | 64.32 |
| Rates and taxes | 23.36 | 26.00 |
| Legal and Professional Charges | 36.52 | 59.02 |
| Director Sitting Fees | 3.80 | 4.80 |
| Payment to Auditors (refer note 43) | 10.94 | 10.52 |
| Trade Receivables and other balances written off | - | 4.10 |
| Expected Credit Loss | 18.87 | 11.04 |
| Loss on discard of Property, plant and equipment | 64.28 | - |
| Net loss on sale of Property, plant and equipment | 3.88 | 0.25 |
| Commission on sales | 2,611.02 | 1,265.84 |
| Freight and Forwarding | 615.90 | 133.67 |
| Miscellaneous* | 913.41 | 1,114.45 |
| | 20,152.03 | 22,386.53 |

* Does not include any expenditure with a value of more than 1% of revenue from operations.

38 Contingent liabilities and commitments (to the extent not provided for)

(No cash outflow is expected)

A CONTINGENT LIABILITIES

- Claims against the Company not acknowledged as debts includes disputed demands pertaining to excise duty, VAT, GST and PSPCL for which appeals amounting to ₹391.82 Lacs (previous year ₹379.46 lakhs) are pending with Appellate Authorities/Courts. The Company has been legally advised that the demand raised by the authorities is not sustainable as it is not in accordance with the provisions of respective laws. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations. As against this, a sum of ₹67.12 lakhs (Previous year ₹65.88 lakhs) is deposited under protest and has been included under Note 7 'Other non current assets'.
- Liability on account of outstanding bank guarantees and letter of credit is ₹2570.62 lakhs (previous year ₹1943.84 Lakhs).
- The Punjab Water Regulation and Development Authority notified Punjab Groundwater Extraction and Conservation Directions, 2023 on January 27'2023 to be effective from February 01'2023. As per the directions the charges for extraction of underground water are proposed to be applicable from date of submission of application under draft guidelines or from date of extraction whichever is later. The Company has filed petition with Honourable Punjab and Haryana High Court against the retrospectively levy of extraction charges under Ad-interim permission without notification in the Official Gazette and implicit consent. The demand for ₹1799.18 Lakhs (previous year ₹1785.31 lakhs) against the Company for the period upto January 2023 has not been acknowledged as debt.
- Pursuant to the assessment for AY 2022-2023, Income tax department has recomputed additional tax of Rs 390.26 Lakhs (31 March 2024: Nil) on account of Disallowance of expenditure u/s 37 (1) of Income Tax Act, 1961 amounting to Rs 1550.60 Lakhs. The matter is pending at CIT (Appeal) level and based on the assessments by the management, consideration of merits of the case and external legal advice, the Company believes that there is a fair chance of winning the case. Accordingly, no further provisions, if any, are considered necessary to be recorded in these financial statements.
- The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicated accurately or relate to the present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company has been advised that it has strong legal position against such dispute.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

| | As at 31st March, 2025 | (₹ in lakhs) As at 31st March, 2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------------|
| B Commitments | 9210.68 | 957.29 |
| a) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) | | |
| b) The Company has other commitments, for purchases /sales order which are issued after considering requirements per operating cycle for purchase /sale of goods and services, employee benefits in normal course of business. The Company does not have any long-term contracts including derivative contracts for which there will be any material foreseeable losses. | | |

39 Assets pledged as Security:-

The Carrying amount of assets pledged as security for borrowings are as follows:-

(₹ in lakhs)

| Particulars of Asset Pledged | Particulars of Borrowings | Type of Charge | As at 31st March 2025 | As at 31st March 2024 |
|-----------------------------------------|---------------------------|------------------|--------------------------|--------------------------|
| Inventories | Current Borrowings | First Charge | 4789.06 | 5181.49 |
| Trade Receivables | Current Borrowings | First Charge | 3688.68 | 2933.74 |
| Property Plant and Equipments | Current Borrowings | Secondary Charge | 23419.72 | 21723.16 |
| Property Plant and Equipments | Non Current Borrowings | First Charge | | |
| Investments (~ Detail as under) | Current Borrowings | Exclusive Charge | 4624.73 | 6391.99 |
| Total Assets Pledged as Security | | | 36522.19 | 36230.38 |

~ Detail of Investment Pledged as Security against current borrowings

| Particulars of Investment | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1. 433703.198 units (31st March 2024 : 433703.198) of DSP Short Term Fund -GP | 197.63 | 183.18 |
| 2. 3000000 units (31st March 2024 : 6110191.53) of Axis Equity Saver Fund-GP | 641.10 | 1223.26 |
| 3. 2148381.154 units (31st March 2024 : 2148381.665) of ICICI Prudential Balanced Advantage Fund - GP | 1490.12 | 1384.63 |
| 4. 916065.497 units (31st March 2024 : 2353350.782) ICICI Prudential Short Term Fund- GP | 538.90 | 1281.09 |
| 5. 624882.834 units (31st March 2024 : 624882.834) of IDFC Bond Fund-Medium Term Plan - GP | 279.88 | 259.27 |
| 6. 781961.513 units (31st March 2024 : 781961.513) of Nippon India Short Term Fund -GP | 403.34 | 372.59 |
| 7. 2908299.742 units (31st March 2024 : 2908299.742) of Tata Balanced Advantage Fund - GP | 569.75 | 544.00 |
| 8. 2596790.14 units (31st March 2024: 2596790.14) of Kotak Balanced Advantage Fund -GP | 504.01 | 464.31 |
| 9. Nil units (31st March 2024 : 14097.737) of Axis Banking & PSU Debt Fund- GP | - | 336.66 |
| 10. Nil units (31st March 2024 : 1156588.157) of ICICI Prudential Banking And Psu Debt Fund- GP | - | 343.00 |
| Total | 4624.73 | 6391.99 |

* GP - Growth Plan

The above investments are lien marked against (i) Overdraft facility from Deutsche Bank AG, the outstanding balance against this facility is ₹Nil (previous year ₹97 lakhs), (ii) Term loan facility from Deutsche Bank AG ₹800 lakhs (previous year ₹Nil) and (iii) inter corporate borrowings ₹Nil Lakhs (previous year ₹800 lakhs) from Deutsche India Investments Pvt Limited

- 40** "Current investment is an investment that is by its nature readily realisable and is intended to be held for not more than one year from the date on which investment is made". The investment shown under the Current investments are held for more than one year, which are to be shown as Non-Current Investments but as per decision taken by the management of the company these are intended to be held for sale as and when the company needs funds, therefore shown under the head "Current Investment".

41 Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits:

- a) Contribution to Defined Contribution Plans, recognised in the Statement of Profit and Loss for the year under employee benefits expense, are as under:

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|--------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Provident fund administered through Regional Provident Fund Commissioner | 413.09 | 376.97 |

The expenses incurred on account of the above defined contribution plans have been included in Note No.35 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

- b) Defined Benefit Plans:

The following tables set out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March 2025 and 31st March 2024.

(₹ in lakhs)

i) Changes in the present value of the defined benefit obligations are as follows

| | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------------------------------------------------------------------|---------------------------|---------------------------|
| Present value of defined benefit obligation at the beginning of the year | 2,309.81 | 2,420.92 |
| Interest cost | 156.39 | 164.61 |
| Current Service cost | 184.19 | 169.62 |
| Actual Benefits paid | (293.61) | (368.71) |
| Actuarial (gain) / loss | 34.42 | (76.63) |
| Present value of defined benefit obligation at end of the year | 2,391.20 | 2,309.81 |

ii) Changes in the Fair value of plan assets are as follows

| | | |
|-----------------------------------------------------------------------------|----------|----------|
| Fair value of plan assets at the beginning of the year | 1,811.50 | 2,069.83 |
| Expected return on plan assets | 120.99 | 137.85 |
| Contribution by the Employer | 17.29 | 17.69 |
| Return on plan assets (excluding amounts included in net interest expenses) | 5.96 | (2.48) |
| Actual Benefits paid | (293.61) | (411.39) |
| Fair value of plan assets at the end of the year | 1,662.13 | 1,811.50 |

iii) Net Liability /(Assets) recognised in the Balance Sheet

| | | |
|--------------------------------------------------------------------|----------|----------|
| Present value of the defined benefit obligation at end of the year | 2,391.20 | 2,309.81 |
| Less: Fair value of plan assets | 1,662.13 | 1,811.50 |
| Unfunded Liability/Asset in Balance Sheet | 729.07 | 498.31 |

iv) Amount recognised in the statement of profit and loss

| | | |
|-------------------------------------------------------|--------|--------|
| Total Service cost | 184.19 | 169.62 |
| Net interest cost | 35.40 | 26.76 |
| Amount recognised in the statement of profit and loss | 219.59 | 196.38 |

v) Amount recognised in other Comprehensive Income (OCI)

| | | |
|---------------------------------------------------------------------------|---------|---------|
| Actuarial Gain/(Loss) arising from change in financial assumption | (24.53) | 166.16 |
| Actuarial Gain/(Loss) arising from experience adjustment | (9.89) | (89.53) |
| Return on plan assets (excluding amount included in net interest expense) | 5.96 | (2.48) |
| Net Income/(Expense) for the period recognized in OCI | (28.46) | 74.15 |

- vi) The major categories of plan assets as a percentage of the fair value of total plan assets Investment with LIC of India

| | |
|----------|----------|
| 1,662.13 | 1,811.50 |
|----------|----------|

The plan assets ₹1662.13 lakhs as on 31st March 2025, (₹1811.50 lakhs as on 31st March 2024) are maintained with Life Insurance Corporation of India (LIC). The detail of investments maintained by LIC have not been furnished to the Company. The same have, therefore, not been disclosed.

vii) The Principal assumptions used for the purpose of the Actuarial valuation are as follows

| | | |
|-------------------------------------------------------|-----------------------|-----------------------|
| Discount rate (per annum) | 6.81% | 7.23% |
| Rate of increase in compensation levels (per annum) | 6.79% | 6.80% |
| Attrition rate | 6.15% | 6.19% |
| Method used | Projected unit credit | Projected unit credit |
| Mortality rates inclusive of provision for disability | IAL 2012-14 Ultimate | IAL 2012-14 Ultimate |

The assumptions and methodology used in actuarial valuation are consistent with the requirements of Ind AS 19

viii) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

ix) The plan typically exposes the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk

If the Discount Rate i.e. the yield on the Government Bonds decrease in future, the Actuarial Liability will increase and vice versa. The quantum of increase in valuation liability corresponding to specific decrease in the Discount Rate and vice versa, has been shown in the annexure containing the sensitivity Analysis of Key Actuarial Assumption.

Longevity risk

If the Mortality rate experienced by the staff of a particular company is higher than what is assumed in mortality Table used in the valuation, the valuation liability will increase.

However, it will be very cumbersome to measure the quantum of increase for assumed reduction of Mortality rates as can be done in case of changes in salary Growth Rate and Interest Rate.

Salary risk

If the salary Growth Rate over the future years of services is increased, the Actuarial Liability will increase and vice versa. The quantum of increase in the valuation liability corresponding to specific increase in the salary growth rate and vice versa has been shown in the annexure containing Sensitivity Analysis of Key Actuarial Assumption.

| (₹ in lakhs) | | |
|----------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| x) The quantitative sensitivity analysis on net liability recognised on account of change in significant assumptions | As at 31st March, 2025 | As at 31st March, 2024 |
| Present value of obligation at the end of the period | 2,391.20 | 2,309.81 |
| a) Increase/(decrease) in obligation due to change in discount rate | | |
| 1. Impact due to increase of 1% | (102.68) | (93.36) |
| 2. Impact due to decrease of 1% | 114.28 | 103.54 |
| b) Increase/(decrease) in obligation due to change in salary | | |
| 1. Impact due to increase of 1% | 110.34 | 100.27 |
| 2. Impact due to decrease of 1% | (101.29) | (93.02) |
| c) Increase/(decrease) in obligation due to change in Attrition rate | | |
| 1. Impact due to increase of 1% | (1.16) | 1.19 |
| 2. Impact due to decrease of 1% | 1.13 | (1.45) |

As per Actuarial certificate, sensitivities due to mortality and withdrawals are insignificant and hence impact of change has not been calculated.

xi) Maturity profile of defined benefit obligation as per Terminal Salary & TLOS:

| | | |
|--------------------------------|----------|----------|
| Year ending | | |
| a) 1st following year | 712.81 | 727.57 |
| b) 2nd to 5th following year | 1,126.95 | 1,029.94 |
| c) 6th to 10th following year | 1,282.98 | 1,340.24 |
| d) 11th following year onwards | 3,085.98 | 2,775.01 |

xii) The company expects to contribute ₹50.00 lakhs to the gratuity trust during the fiscal 2026

xiii) The average duration of the defined benefit plan obligation at the end of the reporting period is 14.79 years (previous year 14.51 years)

xiv) Bifurcation of Projected Benefit Obligation (PBO) at the end of the year in current and non-current liability

| | (₹ in lakhs) | |
|--------------------------------------------------|--------------|----------|
| Current liability (amount due within one year) | 699.42 | 711.13 |
| Non-current liability (amount due over one year) | 1,691.78 | 1,598.68 |
| Total PBO at the end of year | 2,391.20 | 2,309.81 |

c) Other long term employee benefits

- (i) Amount recognised in profit and loss in Note No. 35 "Employee benefit expense" under the head "Salaries, wages and other allowances" towards leave encashment is ₹167.78 lakhs (Previous year ₹137.99 lakhs)
- (ii) Amount taken to balance sheet

Particulars**As at 31st March, 2025****As at 31st March, 2024****(₹ in lakhs)**

- Current

214.35

215.59

- Non-current

331.81

286.11

- 42 In accordance with the Ind AS-36 on Impairment of Assets, the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided during the year (31st March 2024 : ₹Nil) in the books of account.

(₹ in lakhs)

| Particulars | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-----------------------------------|-----------------------------------------------|-----------------------------------------------|
| 43 Auditor's Remunerations | | |
| Audit fee | 5.00 | 5.00 |
| Tax audit fee | 1.75 | 1.75 |
| Limited review | 0.50 | 0.50 |
| In other capacity: | | |
| Other matters | 0.19 | 0.27 |
| Reimbursement of expenses | 3.50 | 3.00 |
| | <u>10.94</u> | <u>10.52</u> |
| (excluding applicable taxes) | | |

- 44 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45 Disclosure under Ind AS 115 "Revenue from Contracts with Customers"**A Disaggregated revenue information****(₹ in lakhs)**

| Particulars (Transfer at point in time) | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| (i) Type of goods | | |
| Revenue from Writing and Printing Paper | 55324.08 | 61943.94 |
| Revenue from Soda Ash & Others | 6352.55 | 7962.50 |
| | <u>61676.63</u> | <u>69906.44</u> |
| The following is analysis on the Companies revenue disaggregates on the basis of timing of revenue recognition. | | |
| - At point of time | 61676.63 | 69906.44 |
| - Over the period | - | - |
| (ii) Total Revenue from Contracts with Customers | | |
| Revenue from Customers based in India | 59307.38 | 67677.55 |
| Revenue from Customers based outside India | 2369.25 | 2228.89 |
| | <u>61676.63</u> | <u>69906.44</u> |
| (iii) Sales by performance obligation | | |
| - upon shipment | 61676.63 | 69906.44 |
| - upon delivery | - | - |
| | <u>61676.63</u> | <u>69906.44</u> |
| (iv) Export benefits are in the nature of government grants covering following benefits | | |
| - Refund of duties and taxes on exported products (RodTEP)/MEIS | - | 7.21 |
| - Duty drawback benefits | - | 3.17 |
| | <u>-</u> | <u>10.38</u> |

B Trade receivables and Contract Customers**Trade Receivables**

3688.68

2933.74

Trade receivables are non-interest bearing and are generally on terms of 7 days to 30 days. ₹6.72 lakhs (Previous year ₹11.04 lakhs) was recognised as provision for expected credit losses during the year on trade receivables.

Trade receivables are presented net of impairment in the Balance sheet.

The Company classifies the right to consideration in exchange for deliverables as a receivable. Receivable is right to consideration that is unconditional upon passage of time.

C Contract Liabilities

Contract liability relate to payment received in advance for performance under contract. Contract liabilities are recognised as revenue at the time of sale of goods. Contract Liabilities includes Non current or current advances received from customers to deliver goods.

Revenue recognised in the current reporting period to carried forward Contract liabilities:

The amount of revenue recognised during the year for the amount included in contract liability at the beginning of the year is ₹422.17 lakhs (previous year ₹361.19 lakhs)

D Reconciling the amount of revenue recognized in the statement of Profit and Loss with the Contract Price (₹ in lakhs)

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|--------------------------------------------------------|---------------------------------------|---------------------------------------|
| Revenue as per Contract Price | 63038.73 | 71533.66 |
| Less : Adjustments | | |
| Sale Return | 121.11 | 118.11 |
| Freight Collected | 1165.48 | 1414.36 |
| Charity Collected | 75.51 | 94.75 |
| | <u>61676.63</u> | <u>69906.44</u> |
| Revenue recognized in the statement of Profit and Loss | | |

E Performance obligation and remaining performance obligation

The performance obligation is satisfied upon the delivery of Writing and Printing Paper and payment is generally due within 7 days to 30 days after the delivery.

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. There were no remaining performance obligation as at 31st March 2025.

46 Segment Reporting

Based on the guiding principles laid down in Indian Accounting Standards (Ind-AS)-108 "Segment Reporting" the Chairman and Managing Director of the Company is the Chief Operating Decision maker (CODM). The Company's business activity falls within single segment namely manufacturing of "Writing and Printing Paper" Accordingly, the disclosure requirements of IndAS 108 are not applicable.

A Information by Geographies

| | | |
|--------------------------------------------------------------------------------------------------|----------|----------|
| (a) Revenue from external customers | | |
| Domestic | 59307.38 | 67677.55 |
| Overseas | 2369.25 | 2228.89 |
| (b) The company has business operations only in India and does not hold any assets outside India | | |

B Revenue from major customers

Information about Major Customers

| | | |
|-----------------------------------------------------------------------------|------|------|
| Number of customer contributing 10% or more to the Company's revenue (No's) | Nil | Nil |
| Revenue arising from sales to such customers. | N.A. | N.A. |

47 Dividend

The Board of Directors have recommended dividend of ₹3.00/- per equity share and special dividend of ₹2.00 /- per equity share amounting to ₹691.23 lakhs (previous year 2023-24 : ₹3.00/- per share and special dividend of ₹2.00 /- per share amounting to ₹691.23 lakhs) during their meeting held on 23rd May 2025. The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax (TDS) at the prescribed rates as per Income Tax Act, 1961 as amended by Finance Act 2020.

48 Corporate Social Responsibility Expenditure

A As required by Section 135 of Companies Act, 2013 and rules therein, a corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

| | | |
|--------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| (i) Gross amount required to be spent by the Company during the year | 119.57 | 57.96 |
| (ii) Total of Previous years shortfall/(set off) | (20.54) | (42.60) |
| (iii) Amount required to be spent by the Company during the year ((i)-(ii)) | 99.03 | (15.36) |
| (iv) Corporate Social Responsibility expenses for the year | 54.37 | 35.90 |
| Various Head of expenses included in above: | | |
| Promoting Education | 26.90 | 28.15 |
| Health care | 24.87 | 6.49 |
| Community Welfare | 2.60 | 1.26 |
| | <u>54.37</u> | <u>35.90</u> |
| (v) The amount Shortfall/(Excess) at the end of the year out of the amount required to be spent by the Company during the year | 44.66 | (20.54)# |

(₹ in lakhs)

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| (vi) Provision for CSR Expenses related to ongoing projects | | |
| Opening Balance | - | - |
| Add: Provision created during the year | 44.66 | - |
| Less: Provision utilised during the year | - | - |
| Closing Balance | 44.66* | - |
| (vii) Details of related party transactins, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures | 12.50 | 11.00 |

*The Company has transferred unspent CSR amount of Rs 44.66 lakhs (March 31, 2024: Rs Nil), in respect of ongoing projects, as at the end of the financial year, to a special bank account within a period of thirty days from the end of the financial year in compliance with provision of Section 135(6) of the Companies Act, 2013.

The Company has incurred excess CSR expenditure of Rs 20.54 lakhs in the previous years, which has been wholly adjusted in the current year. This excessive expenditure of Rs 20.54 lakhs was adequately disclosed in the previous year's Directors' Report and was also submitted with MCA via CSR-2 (of earlier years).

49 Earning per share

The calculation of Earning Per Share (EPS) as disclosed in the Statement of profit and loss has been made in accordance with Ind AS- 33 on "Earnings Per Share". The following is the reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

| Particulars | As at 31st March 2025 | (Number of shares) As at 31st March 2024 |
|----------------------------------------------------------|--------------------------|------------------------------------------------|
| Issued equity shares | 13824550 | 13824550 |
| Number of Shares at the end of the year | 13824550 | 13824550 |
| Weighted average shares outstanding-Basic and Diluted- A | 13824550 | 13824550 |

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|----------------------------------------------------|---------------------------------------|---------------------------------------|
| Profit and loss after tax for EPS (B) (₹ in lakhs) | 5060.15 | 8742.05 |
| Basic Earnings per share (B/A) (in ₹) | 36.60 | 63.24 |
| Diluted Earnings per share (B/A) (in ₹) | 36.60 | 63.24 |

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity, if any. The Company does not have any potential equity shares.

50 Research and Development expenses

(₹ in lakhs)

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|------------------------------------------------------|---------------------------------------|---------------------------------------|
| a) Research and Development: Revenue expenses | | |
| Raw material consumption | - | - |
| Less: Net sales revenue | - | - |
| Salaries and wages | 244.15 | 256.76 |
| Depreciation | 2.34 | 2.83 |
| Stores and spares | 22.02 | 23.07 |
| Cost of utilities | - | - |
| Other expenses | 0.55 | 0.59 |
| | <u>269.06</u> | <u>283.25</u> |
| b) Research and Development: Capital expenses | | |
| Additions to Property, Plant and Equipments | 10.00 | NIL |

The revenue expenses related to research and development is clubbed under respective account heads in the statement of Profit and Loss.

51 Disclosure pursuant to Indian Accounting Standard (Ind AS) -12 : Income Taxes**(a) Income tax recognised in profit or loss****(₹ in lakhs)**

| Particulars | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
|--------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Current Tax: | | |
| Current tax on profit for the year | 1412.00 | 2155.00 |
| Adjustments for current tax of prior periods | 41.77 | 82.60 |
| | <u>1453.77</u> | <u>2237.60</u> |
| Deferred Tax: | | |
| Relating to origination and reversal of temporary differences | 260.91 | 494.28 |
| Total income tax expense recognised | <u>1714.68</u> | <u>2731.88</u> |
| (b) Income Tax recognised in other comprehensive income | | |
| Arising on income and expenses recognised in other comprehensive income | | |
| Remeasurement of defined benefit obligation | (7.16) | 18.66 |
| Total income tax recognised in other comprehensive income | <u>(7.16)</u> | <u>18.66</u> |

(c) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

| | | |
|--------------------------------------------------------------------------------------------------|----------------|-----------------|
| Profit before Tax (i) | 6774.83 | 11473.93 |
| Corporate tax rate as per Income Tax Act, 1961 (ii) | 25.168% | 25.168% |
| Tax on Accounting profit (iii) = (i) * (ii) | 1705.09 | 2887.76 |
| Tax effect of amounts which are not deductible (allowable) in calculating taxable income: | | |
| i Effect of Depreciation difference | 5.05 | 19.67 |
| ii Effect of expenses that are not deductible in determining taxable profit | 27.18 | 12.00 |
| iii Effect of expenses allowable on payment basis | (12.15) | (51.37) |
| iv Differential tax rate on capital gain on sale and fair valuation on investment | (60.38) | (202.68) |
| v Effect of set off/ carried forward losses | 8.42 | (17.00) |
| vi Adjustments for current tax of prior periods | 41.77 | 82.60 |
| vii Others | (0.30) | 0.90 |
| Total effect of tax adjustments | <u>9.59</u> | <u>(155.88)</u> |
| Tax expense recognised during the year | <u>1714.68</u> | <u>2731.88</u> |

d) Movement in Deferred tax balances**(₹ in lakhs)****For the year ended 31st March 2025**

| Particulars | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
|-------------------------------------------------------------------------|--------------------|----------------------------------|----------------------|--------------------|
| Tax effect of items constituting deferred tax assets/liabilities | | | | |
| Property, Plant and Equipment | 3059.50 | 63.83 | - | 3123.33 |
| Employee Benefits | - | 7.16 | (7.16) | - |
| Fair value of Investments through Profit and loss | 731.73 | 233.24 | - | 964.97 |
| Expenditure deductible on payment basis | (272.60) | (43.32) | - | (315.92) |
| Net Tax Liabilities/(asset) | <u>3518.63</u> | <u>260.91</u> | <u>(7.16)</u> | <u>3772.38</u> |

(₹ in lakhs)

For the year ended 31st March 2024

| Particulars | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
|-------------------------------------------------------------------------|-----------------|-------------------------------|-------------------|-----------------|
| Tax effect of items constituting deferred tax assets/liabilities | | | | |
| Property, Plant and Equipment | 3001.25 | 58.25 | - | 3059.50 |
| Employee Benefits | - | (18.66) | 18.66 | - |
| Fair value of Investments through Profit and loss | 198.48 | 533.25 | - | 731.73 |
| Expenditure deductible on payment basis | (194.04) | (78.56) | - | (272.60) |
| Net Tax Liabilities/(asset) | 3005.69 | 494.28 | 18.66 | 3518.63 |

- 52 Reconciliation of changes in liabilities arising from financial activities including both changes arising from cash flow and non-cash changes as per the requirement of Ind AS-7 'Statement of Cash Flows'

(₹ in lakhs)

| Particulars | Year ended 31st March 2025 | | Year ended 31st March 2024 | |
|--------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------------------------------|----------------------------|---------------------------------------------------|
| | Current Borrowings | Non-Current Borrowings (incl. Current maturities) | Current Borrowings | Non-Current Borrowings (incl. Current maturities) |
| Opening Balance of Financial liabilities coming under the financing activities of Cash Flow Statement | 2872.10 | 331.82 | 3625.37 | 437.21 |
| Changes during the year | | | | |
| a) Changes from financing cash flow (Net) | 1090.14 | (18.47) | (1198.87) | 340.21 |
| b) Changes arising from obtaining or losing control of Subsidiaries or other business | - | - | - | - |
| c) the effect of changes in foreign exchange rates-(Gain)/Loss | - | - | - | - |
| d) Changes in fair Value | - | - | - | - |
| e) Other changes (including reclassification) | (503.48) | 503.48 | 445.60 | (445.60) |
| Closing Balance of Financial liabilities coming under the financing activities of Cash Flow Statement | 3458.76 | 816.83 | 2872.10 | 331.82 |

53 Related party disclosures:

In accordance with the requirements of IND AS 24, on "Related party disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party and their relationship:-

A. Key Managerial Personnel:

| | | | |
|-----|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| i | Executive directors | Sh. Rajneesh Oswal Sh. Vishal Oswal Sh. Kunal Oswal | Chairman & Managing Director Vice Chairman & Managing Director Whole Time Director |
| ii | Non executive directors | Dr. Prem Kumar (upto 12.05.2024) Dr. Prathibha Goyal (upto 9.08.2024) Sh. Krishan Sethi Sh. Ravinder Kumar Ms. Shalini Gupta (w.e.f. 5.08.2024) | Independent Director Independent Director Independent Director Independent Director Independent Director |
| iii | Chief Financial Officer | Mr. Rakesh Kumar Mahajan | |
| iv | Company Secretary | Mr. Parminder Singh | |

B. Related parties

| | Nature of relationship | Nature of related party |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Enterprises over which Key Managerial Personnel (KMP) and/or relative of such personnel is able to exercise Control or /significant influence and transactions (including dividend) have taken place | Fountain Tie up Pvt Ltd Punctual Dealers (P) Ltd. Adeep Investment Company. Levina Investment & Mercantile Company Lime Lite Consultants Private Limited Noble Share Trading Pvt Ltd Ojasvi Investment & Mercantile Company |

| | Nature of relationship | Nature of related party |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Enterprises over which Key Managerial Personnel (KMP) and/or relative of such personnel is able to exercise Control or significant influence and transactions (including dividend) have taken place | Shreyans Financial and Capital Services Limited Sulzer Investment Pvt Ltd Virat Investment & Mercantile Company Jagvallah Parasnath Capital Investments Pvt Ltd Achin Investment and Mercantile Company D.K. Oswal HUF |
| ii. | Relative of Key Managerial Personnel with whom transactions have taken place | Mrs. N.K. Oswal, Manager Mrs. Priti Oswal, Manager Mrs. Shikha Oswal, Manager Ms. Arshia Oswal, Deputy General Manager |

C. Post Employment benefits plans entity:

| | | |
|------|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| iii. | Group Gratuity Trust fund managed by representative of the Company | SIL- Group Gratuity Trust Fund (Unit Shreyans Paper) SIL- Group Gratuity Trust Fund (Unit Shree Rishabh Paper) |
|------|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|

D. Agencies to which Contribution for CSR and Charity is made

| | | |
|-----|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| iv. | Key Managerial Personnel (KMP) are Managing Trustee of Charitable Trust | Shri Darshan Kumar Oswal Public Charitable Trust (CSR00011080) Shri Paras Nath Charitable Trust (CSR00011081) |
|-----|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|

E. Details of transactions entered into with related parties during the year as required by Ind AS 24 on "Related Party Disclosures" of Companies (Indian Accounting Standards) Rules 2015.

| Sr. No | Particulars | Enterprises over which KMP is able to exercise significant influence or control | | Key Managerial Personnel (KMP) | | Post employment Benefit plans | |
|--------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------|--------------------------------|---------------|-------------------------------|---------------|
| | | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| 1 | ***Contractual remuneration | - | - | 1,480.00 | 1,559.04 | - | - |
| 1a | ***Contractual remuneration outstanding as on last day of financial year | - | - | 421.03 | 594.57 | - | - |
| 2 | Sitting fee | - | - | 3.80 | 4.80 | - | - |
| 3 a | Interest Paid | 64.37 | 48.92 | - | - | - | - |
| 3 b | Contribution to CSR Expenditure | 12.50 | 11.00 | - | - | - | - |
| 3 c | Contribution for Charity/donation | - | - | - | - | - | - |
| 4 a | Loan taken (including opening balance) | 1029.16 | 769.16 | 613.00 | 13.00 | - | - |
| 4 b | Loans repaid | - | - | - | - | - | - |
| 4 c | Closing Balance of Loans | 1029.16 | 769.16 | 613.00 | 13.00 | - | - |
| 5 | Contribution to trust towards Post Employment benefit | - | - | - | - | 17.29 | 17.69 |
| 6 | Dividend paid | 336.82 | 336.82 | 9.45 | 9.45 | - | - |

| Sr. No | Particulars | Relatives of KMP | | Total | |
|--------|--------------------------------------------------------------------------|------------------|---------------|--------------|---------------|
| | | Current Year | Previous Year | Current Year | Previous Year |
| 1 | ***Contractual remuneration | 36.60 | 31.94 | 1,516.60 | 1,590.98 |
| 1a | ***Contractual remuneration outstanding as on last day of financial year | 2.19 | 2.00 | 423.22 | 596.57 |
| 2 | Sitting fee | - | - | 3.80 | 4.80 |
| 3 a | Interest Paid | - | - | 64.37 | 48.92 |
| 3 b | Contribution to CSR Expenditure | - | - | 12.50 | 11.00 |
| 4 a | Loan taken (including opening balance) | - | - | 1642.16 | 782.16 |
| 4 b | Loans repaid | - | - | - | - |
| 4 c | Closing Balance of Loans | - | - | 1642.16 | 782.16 |
| 5 | Contribution to trust towards Post Employment benefit | - | - | 17.29 | 17.69 |
| 6 | Dividend paid | 3.00 | 3.00 | 349.27 | 349.27 |

*** As the liabilities for gratuity, compensated absences are provided on an actuarial basis for all employees of the Company as a whole, the amount pertaining to key managerial personnel is not included.

Mr. Rajneesh Oswal, Mr. Vishal Oswal and Mr. Kunal Oswal are related to each other.

The related party is as identified by the Company and relied upon by the auditors.

54 Financial instruments and Risk management

i Capital management

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure.

The Company's management reviews its capital structure considering the cost of capital, the risks associated with each class of capital and the need to maintain adequate liquidity to meet its financial obligations when they become due. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Accordingly the management and the Board of Directors periodically review and set prudent limit on overall borrowing limits of the Company.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company's gearing ratio is as follows:

| Particulars | | ₹ in lakhs) | |
|----------------------------------------------------|-------|---------------------------------------|---------------------------------------|
| | | for the year ended 31st March 2025 | for the year ended 31st March 2024 |
| Borrowings, lease liabilities and interest accrued | | 4716.29 | 3601.58 |
| Less: Cash and cash equivalents | | 14.64 | 11.75 |
| Net debt | (A) | 4701.65 | 3589.83 |
| Total equity | (B) | 42643.29 | 38295.67 |
| Net debt to equity ratio | (A/B) | 0.11 | 0.09 |

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2025 and 31st March 2024. There were no changes in the objectives, policies or processes for managing capital during the year ended 31st March 2025 and 31st March 2024.

The Company is not exposed to any externally imposed capital requirements.

ii Categories of financial instruments

The Carrying value and fair value of financial instruments by categories are as follows

As at 31st March 2025

(₹ in lakhs)

| Particulars | Carrying Amount | At Amortised Cost | | |
|--------------------------------|-----------------|-------------------|-----------------|----------|
| | | FVTPL | FVTOCI | |
| Financial Assets: | Total | | | |
| Non Current Assets | | | | |
| Investments | 379.64 | - | 379.64 | - |
| Loans | 5.60 | 5.60 | - | - |
| Other financial assets | 169.13 | 169.13 | - | - |
| Current Assets | | | | |
| Investments | 23638.26 | - | 23638.26 | - |
| Trade receivables | 3688.68 | 3688.68 | - | - |
| Cash and Cash Equivalents | 14.64 | 14.64 | - | - |
| Other Bank Balances | 578.86 | 578.86 | - | - |
| Loans | 716.31 | 716.31 | - | - |
| Other financial assets | 201.83 | 201.83 | - | - |
| Total | 29392.95 | 5375.05 | 24017.90 | - |
| Financial Liabilities: | Total | | | |
| Non Current Liabilities | | | | |
| Borrowings | 816.83 | 816.83 | - | - |
| Lease liabilities | 141.92 | 141.92 | - | - |
| Other financial liabilities | 14.17 | 14.17 | - | - |
| Current Liabilities | | | | |
| Borrowings | 3458.76 | 3458.76 | - | - |
| Lease liabilities | 72.53 | 72.53 | - | - |
| Trade Payables | 5023.88 | 5023.88 | - | - |
| Other financial liabilities | 3419.07 | 3419.07 | - | - |
| Total | 12947.16 | 12947.16 | - | - |

As at 31st March 2024

(₹ in lakhs)

| Particulars | Carrying Amount | At Amortised Cost | FVTPL | FVTOCI |
|--------------------------------|-----------------|-------------------|-----------------|----------|
| Financial Assets: | Total | | | |
| Non Current Assets | | | | |
| Investments | 416.44 | - | 416.44 | - |
| Loans | 6.88 | 6.88 | - | - |
| Other financial assets | - | - | - | - |
| Current Assets | | | | |
| Investments | 21986.92 | - | 21986.92 | - |
| Trade receivables | 2933.74 | 2933.74 | - | - |
| Cash and Cash Equivalents | 11.75 | 11.75 | - | - |
| Other Bank Balances | 631.64 | 631.64 | - | - |
| Loans | 159.05 | 159.05 | - | - |
| Other financial assets | 196.53 | 196.53 | - | - |
| Total | 26342.95 | 3939.59 | 22403.36 | - |
| Financial Liabilities: | Total | | | |
| Non Current Liabilities | | | | |
| Borrowings | 331.82 | 331.82 | - | - |
| Lease liabilities | 125.65 | 125.65 | - | - |
| Other financial liabilities | 8.42 | 8.42 | - | - |
| Current Liabilities | | | | |
| Borrowings | 2872.10 | 2872.10 | - | - |
| Lease liabilities | 74.52 | 74.52 | - | - |
| Trade Payables | 4451.28 | 4451.28 | - | - |
| Other financial liabilities | 4075.72 | 4075.72 | - | - |
| Total | 11939.51 | 11939.51 | - | - |

The carrying value of financial assets and financial liabilities not measured at fair value is reasonable approximate of Fair value.

iii. Financial risk management

The principal financial assets of the Company include investments, loans, trade and other receivables, cash and bank balances that the Company derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:-

(A) Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Currency risk, Interest rate risk and other price risk.

a.1 Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company is exposed to fluctuations in foreign currency exchange rates where transaction references more than one currency and/or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The sources of foreign exchange risk for the Company are trade receivables, trade payables for imported materials and capital goods.

The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognised assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by hedging appropriately. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Exposure to currency risk

The currency profile of financial assets and liabilities as at 31st March, 2025 and 31st March 2024, are as below:

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|-------------------------------------------------|--------------------------|-----|--------------------------|-----|
| | EURO | USD | EURO | USD |
| Exposure on account of financial Assets | | | | |
| Trade Receivable/ Export Order (A) | - | - | - | - |
| Amount Hedged through forwards (B) | - | - | - | - |
| Net Exposure to Foreign Currency Assets (C=A-B) | - | - | - | - |

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|----------------------------------------------------------------------|-----------------------|--------------------|-----------------------|------------------|
| | EURO | USD | EURO | USD |
| Exposure on Account of Financial Liabilities | | | | |
| Trade Payable and Borrowings (D) | 53,980 | 13,02,473 | 28,980 | 229,183 |
| Amount Hedged through forwards (E) | - | - | - | - |
| Net Exposure to Foreign Currency Liabilities (F=D-E) | 53,980 | 13,02,473 | 28,980 | 229,183 |
| Net Exposure to Foreign Currency Assets/ (Liabilities) (C- F) | (53,980) | (13,02,473) | (28,980) | (229,183) |

The following significant exchange rates applied are:-

| Currency | 2024-25 | 2023-24 | 2024-25 | 2023-24 |
|----------|----------------|---------|------------------------|---------|
| | Year end rates | | Average Exchange rates | |
| INR/USD | 85.48 | 83.41 | 84.75 | 82.74 |
| INR/EURO | 92.06 | 90.04 | 90.66 | 89.90 |

a.2 Foreign currency sensitivity analysis

Any changes in the exchange rate of USD/Euro against INR is not expected to have significant impact on the Company's profit due to the less exposure of these currencies. Accordingly, a 5% appreciation/depreciation of the INR as indicated below, against USD/Euro would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The impact on the Company's profit before tax due to change in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD/Euro exchange rates (with all other variables held constant) is as under

(₹ in lakhs)

| Impact on Profit /Loss on account of :- | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------------------|--------------------------|--------------------------|
| 5% strengthening/ weakening of INR against USD | +/- 55.19 | +/- 9.48 |
| 5% strengthening/ weakening of INR against EURO | +/- 2.45 | +/- 1.30 |

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on short term and long term floating rate interest bearing liabilities.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

(₹ in lakhs)

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------------|--------------------------|--------------------------|
| Variable rate instruments | | |
| Long term borrowings | 760.00 | 216.29 |
| Current maturities of long term debt | 247.23 | 577.34 |
| Short term borrowings | 1510.67 | 1278.28 |

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

| Impact on Profit (loss) on account of : | As at 31st March 2025 | As at 31st March 2024 |
|-----------------------------------------|--------------------------|--------------------------|
| Increase/ decrease in 100 basis point | +/- 25.18 | +/- 20.72 |

c) Other Price Risk

i) Equity Instruments

The company is exposed to price risk arising from equity investments. The company does not actively trade equity investments.

Equity investments are mainly held for strategic rather than trading purposes. Protection principle is given high priority by limiting company's investments top rated money market instruments only.

Equity price risk is related to change in market reference price of investments in equity shares held by the Company. The fair value of quoted investments held by the Company exposes it to equity price risks.

ii) Mutual Fund Investments

The Company manages the surplus funds majorly through investments in debt based and equity mutual fund schemes. The price of investment in these mutual fund is Net Asset Value (NAV) declared by the Asset Management Company on daily basis is reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investment schemes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

c.1 Equity price sensitivity analysis

The Company is exposed to equity price risks arising from equity investments held by the company and classified in the balance sheet at fair value through profit & loss.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments (non current) measured at FVTPL, determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/ lower, profit would increase/ (decrease) as follows for:

the year ended 31st March 2025 : by ₹ 18.98 lakhs

the year ended 31st March 2024 : by ₹ 20.82 lakhs

c.2 Mutual fund price sensitivity analysis

The sensitivity analysis has been determined based on Mutual Fund Investment at the end of the reporting period. If NAV had been 1% higher/lower, the profit for year ended 31st March 2025 would have increased/decreased by ₹ +/- 236.38 lakhs (previous year: increase/decrease by ₹ +/- 219.87 lakhs) as a result of the changes in fair value of mutual funds.

(B) Credit risk management

Credit risk arises from the possibility that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables, loans to employees and security deposits). The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

(i) Expected Credit Loss for Financial Assets

For trade receivables and Loans as a practical expedient, the Company computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance is as under:-

| Particulars | (₹ in lakhs) | |
|--------------------------------------------------------|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 |
| As at the beginning of the year | 39.08 | 28.04 |
| Allowances for Expected Credit Loss (ECL) for the year | 18.87 | 11.04 |
| Transfer to the statement of Profit and Loss | - | - |
| Balance at the end of the year | 57.95 | 39.08 |

Proportion of expected credit loss provided for trade receivables, loans and deposits is summarised below:-

| Financial assets to which loss allowance is measured | Gross Carrying Amount (₹ in lakhs) | Expected Credit Loss: Provided during the year (₹ in lakhs) | Expected Credit Loss: Probability of Default | Total Expected Credit Loss (₹ in lakhs) | Carrying amount (net of ECL) (₹ in lakhs) 31st March 2025 | Carrying amount (net of ECL) (₹ in lakhs) 31st March 2024 |
|------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Trade Receivables | 3734.48 | 6.72 | 1.22% | 45.80 | 3688.68 | 2933.74 |
| Inter Corporate Loans | 600.00 | 10.80 | 1.80% | 10.80 | 589.20 | 100.00 |
| Other Loans | 75.00 | 1.35 | 1.80% | 1.35 | 73.65 | - |
| Loans to Employees | 59.06 | - | - | - | 59.06 | 65.93 |
| Security Deposits | 462.22 | - | - | - | 462.22 | 439.19 |

Trade Receivables

- (i) An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

| | As at 31st March 2025 | (₹ in lakhs) As at 31st March 2024 |
|----------------------------------------------------------|--------------------------|------------------------------------------|
| Outstanding from due date of payment | | |
| Not due | 0.85% | 1.17% |
| Less than 6 months | 1.19% | 2.03% |
| 6 months to 1 year | 50.00% | 50.00% |
| More than 1 year | 100.00% | 100.00% |
| Expected credit loss rate | 1.22% | 1.31% |
| Amount of Expected credit loss provided for (₹ in Lakhs) | 45.80 | 39.08 |

(ii) Revenue generated from top five customers.**Particulars**

| | | |
|-----------------------------|----------|----------|
| - Amount of Sales | 16124.44 | 17134.01 |
| - % of total sales of paper | 29.15 | 27.66 |

Trade Receivables

Out of the Trade receivables, ₹2950.56 lakhs as at 31st March 2025 (₹1669.98 lakhs as at 31st March 2024) is due from the Company's major customers i.e. having more than 5% of total outstanding trade receivables.

The ageing analysis of trade receivables as of the reporting date is as follows:

Ageing of trade receivables (net)

| | | |
|-----------------------------|---------|---------|
| Not Due | 3069.63 | 2710.06 |
| 0 - 6 months past due | 613.01 | 223.66 |
| More than 6 months past due | 6.04 | 0.02 |
| Total Trade receivables | 3688.68 | 2933.74 |

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 10.

b. Other Financial Assets

The Company maintains exposure in cash and cash equivalents, time deposits with banks, investments in debt mutual funds. Investment of surplus funds are made only with approved counter parties. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Write off policy

The financial assets are written off in case there is no reasonable expectation of recovering from the financial asset.

(C) Liquidity risk management

The objective of liquidity risk management is to maintain sufficient liquidity to meet financial obligations of the Company as they become due. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all points in time. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company has access to various fund / non-fund based bank financing facilities. The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments as at 31st March 2025 ₹3816.28 lakhs (as at 31st March 2024 ₹5773.44 lakhs).

Exposure to liquidity risk

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period along with contractual maturity of Financial assets:

| As at 31st March 2025 | | Contractual cash flows (₹ in lakhs) | | | |
|------------------------------|-----------------|-------------------------------------|---------------|---------------|-------------------|
| Particulars | Carrying amount | Less than 1 year | 2-3 years | 4-5 years | More than 5 years |
| FINANCIAL LIABILITIES | | | | | |
| Borrowings | 4275.59 | 3458.76 | 136.83 | 680.00 | - |
| Trade Payables | 5023.88 | 5023.88 | - | - | - |
| Other Financial liabilities | 3647.69 | 3491.60 | 125.05 | 31.04 | - |
| | <u>12947.16</u> | <u>11974.24</u> | <u>211.88</u> | <u>711.04</u> | <u>-</u> |
| FINANCIAL ASSETS | | | | | |
| Investments | 24017.90 | 24017.90 | - | - | - |
| Trade Receivables | 3688.68 | 3688.68 | - | - | - |
| Cash and Cash Equivalents | 14.64 | 14.64 | - | - | - |
| Bank Balances | 578.86 | 578.86 | - | - | - |
| Loans | 721.91 | 716.31 | 5.60 | - | - |
| Other financial assets | 370.96 | 201.83 | 169.13 | - | - |
| | <u>29392.95</u> | <u>29218.32</u> | <u>174.73</u> | <u>-</u> | <u>-</u> |
| As at 31st March 2024 | | Contractual cash flows (₹ in lakhs) | | | |
| Particulars | Carrying amount | Less than 1 year | 2-3 years | 4-5 years | More than 5 years |
| FINANCIAL LIABILITIES | | | | | |
| Borrowings | 3203.92 | 2872.10 | 328.67 | 3.15 | - |
| Trade Payables | 4451.28 | 4451.28 | - | - | - |
| Other Financial liabilities | 4284.31 | 4158.66 | 98.75 | 26.90 | - |
| | <u>11939.51</u> | <u>11482.04</u> | <u>427.42</u> | <u>30.05</u> | <u>-</u> |
| FINANCIAL ASSETS | | | | | |
| Investments | 22403.36 | 22403.36 | - | - | - |
| Trade Receivables | 2933.74 | 2933.74 | - | - | - |
| Cash and Cash Equivalents | 11.75 | 11.75 | - | - | - |
| Bank Balances | 631.64 | 631.64 | - | - | - |
| Loans | 165.93 | 159.05 | 6.88 | - | - |
| Other financial assets | 196.53 | 196.53 | - | - | - |
| | <u>26342.95</u> | <u>26336.07</u> | <u>6.88</u> | <u>-</u> | <u>-</u> |

D Fair Value Measurement**(i) Fair Value hierarchy**

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(ii) The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

| As at 31st March 2025 | | | | | (₹ in lakhs) | | |
|-------------------------------------|-----------------|--------|----------------|----------|----------------------|----------|---------|
| Particulars | Carrying amount | | | Total | Fair value hierarchy | | |
| | FVTPL | FVTOCI | Amortised Cost | | Level 1 | Level 2 | Level 3 |
| Current Investments | 23638.26 | - | - | 23638.26 | - | 23638.26 | - |
| Non Current Investments | 379.64 | - | - | 379.64 | 325.14 | - | 54.50 |
| Other financial current assets | - | - | - | - | - | - | - |
| - Derivative financial instruments | - | - | - | - | - | - | - |
| Other financial current liabilities | - | - | - | - | - | - | - |
| - Derivative financial instruments | - | - | - | - | - | - | - |

As at 31st March 2024

(₹ in lakhs)

| Particulars | Carrying amount | | | Total | Fair value hierarchy | | |
|-------------------------------------|-----------------|--------|----------------|----------|----------------------|----------|---------|
| | FVTPL | FVTOCI | Amortised Cost | | Level 1 | Level 2 | Level 3 |
| Current Investments | 21986.92 | - | - | 21986.92 | - | 21986.92 | - |
| Non Current Investments | 416.44 | - | - | 416.44 | 363.09 | - | 53.35 |
| Other financial current assets | | | | | | | |
| - Derivative financial instruments | - | - | - | - | - | - | - |
| Other financial current liabilities | | | | | | | |
| - Derivative financial instruments | - | - | - | - | - | - | - |

There were no transfers between Level 1 and 2 in the period. Sensitivity of Level 3 financial instruments are insignificant.

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuer will redeem such units for the investor.

Derivative contracts: The Company has entered into foreign currency contract(s) to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorized Dealers Banks.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Reconciliation of Level 3 fair value measurements

(₹ in lakhs)

| Particulars | Unlisted equity instruments |
|-----------------------------------------------------|-----------------------------|
| As at 1st April, 2023 | 52.10 |
| Purchases | - |
| Gain/ (loss) recognised in statement of Profit/Loss | 1.25 |
| As at 31st March, 2024 | 53.35 |
| Purchases | - |
| Gain/ (loss) recognised in statement of Profit/Loss | 1.15 |
| As at 31st March, 2025 | 54.50 |

55 The company does not have any Benami property, where any proceeding have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

56 The company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

57 The company has not received any fund from any person or entity, including foreign entities (Funding parties) with the understanding (whether recorded in writing or otherwise) that the company shall

- directly or indirectly lend or invest in other person 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.

- 58** There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 59** Loans to Director: There are no loans or advances in the nature of loans that are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
- repayable on demand; or
 - without specifying any terms or period of repayment
- 60** Compliance with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017 is not applicable as there is no subsidiary.
- 61** The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software.

62 FINANCIAL RATIOS

The Ratios for the years ended 31st March 2025 and 31st March 2024 are as follows

| Ratio | Numerator | Denominator | As at 31 March 2025 | As at 31 March 2024 | % Change | Reasons for change More than 25% |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|-------------|----------------------------------------------------------------------------------------------|
| Current ratio (in times) | Current assets | Current liabilities | 2.61 | 2.46 | 6.10 | - |
| Debt-equity ratio (in times) | Non-current borrowings, Non-current lease liabilities, Current borrowings, Current lease liabilities and Interest Accrued | Total Equity | 0.11 | 0.09 | 22.22 | - |
| Debt service coverage ratio (in times) | Profit before tax, finance costs, depreciation and amortisation expense | Finance costs, Principal repayment for Non-current borrowings and Non-current lease liabilities (including current maturities of non-current borrowings and non-current lease liabilities) | 4.99 | 7.50 | (33.47) | Decrease in operational profit resulted in downfall in Debt service coverage ratio. |
| Interest Service Coverage ratio (in times) | Profit before tax and finance (borrowing) costs | Finance (borrowing) Costs | 19.05 | 30.11 | (36.73) | Decrease in operational profit resulted in downfall in Debt service coverage ratio. |
| Return on equity ratio (in %) | Profit after tax | Average of total equity | 12.50 | 25.53 | (51.04) | Decrease in profit after tax resulted in downfall in Return on equity. |
| Inventory turnover ratio (in times) | Cost of Materials, Fuel and Stores and Spares Consumed | Average of Opening and Closing Inventory | 7.67 | 8.91 | (13.92) | - |
| Trade receivables turnover ratio (in times) | Sale of products | Average trade receivables | 18.63 | 21.16 | (11.96) | - |
| Trade payables turnover ratio (in times) | Cost of Materials, Fuel and Stores and Spares Consumed | Average trade payables | 8.07 | 9.61 | (16.02) | - |

| Ratio | Numerator | Denominator | As at 31 March 2025 | As at 31 March 2024 | % Change | Reasons for change More than 25% |
|---------------------------------------|--------------------------------------------|--------------------------------------------------------|---------------------------|---------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Net capital turnover ratio (in times) | Revenue from operations | Working capital [Current assets - Current liabilities] | 2.95 | 3.73 | (20.91) | - |
| Net profit ratio (in %) | Profit before tax | Revenue from operations | 10.98 | 16.41 | (33.09) | Lower operational profit & investment gain as compared to previous year resulted in decrease in profits and significant change in ratios |
| Return on capital employed (in %) | Profit before finance cost and tax expense | Capital employed [Total Assets - Current Liabilities] | 14.81 | 27.58 | (46.30) | Lower operational profit & investment gain as compared to previous year resulted in decrease in profits and significant change in ratios |
| Return on investment (in %) | Income generated from invested funds | Time weighted average of investments | 8.45 | 18.82 | (55.10) | Lower investment gain as compared to previous year resulted in decrease in Return on investment ratio. |

63 Figures in bracket indicate deductions.

64 Previous year figures in the financial statements, including the notes thereto, have been reclassified wherever required to confirm to the current year presentation/classification.

As per our report of even date attached
For SCV & CO LLP
Chartered Accountants
(Firm Regn. No. 000235N/N500089)

For and on behalf of the Board of Directors

(SANJIV MOHAN)
Partner
M.No. 086066

(R.K. MAHAJAN)
Chief Financial Officer

(PARMINDER SINGH)
Company Secretary

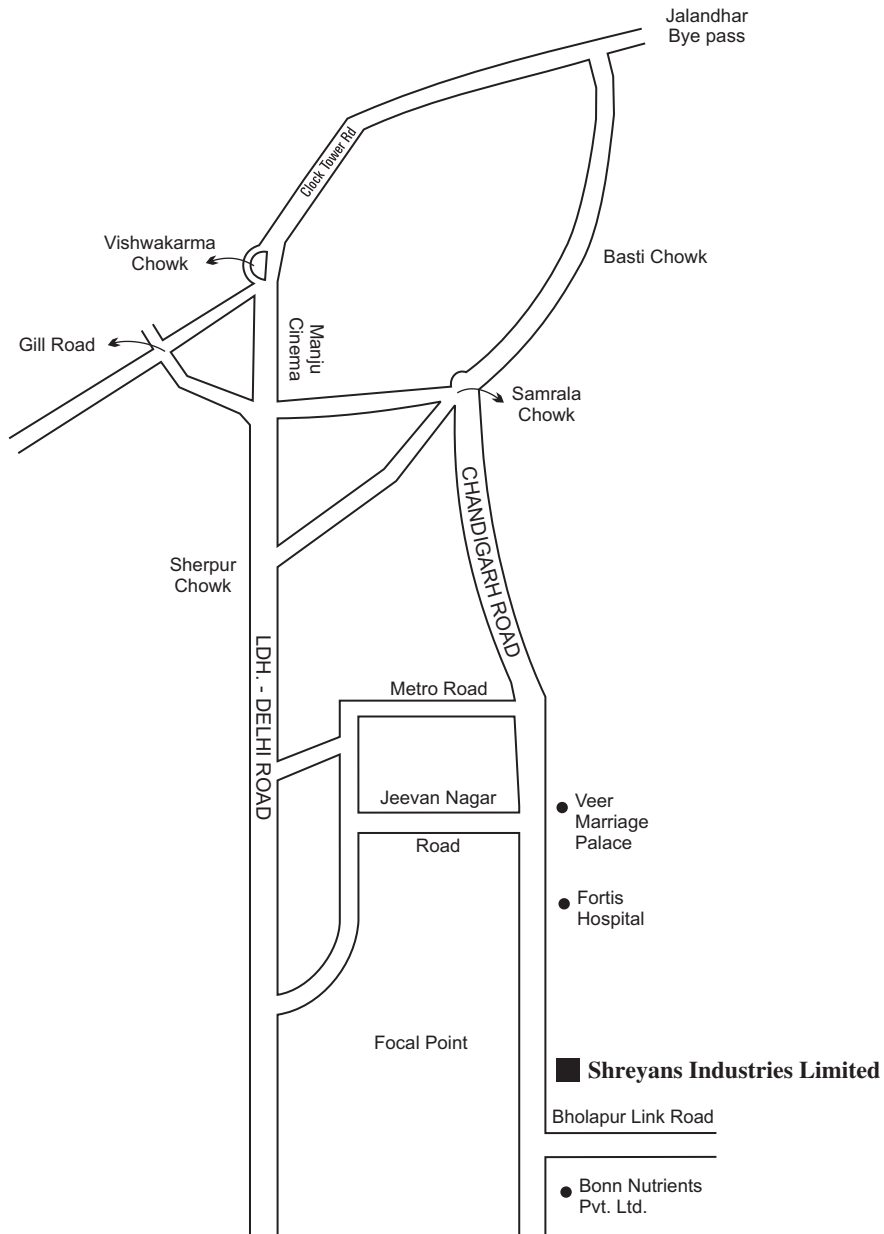
(VISHAL OSWAL)
Vice Chairman and
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman and
Managing Director
DIN 00002668

Place : Ludhiana
Date : 23rd May 2025

Venue : **Shreyans Industries Ltd.**

Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana



SHREYANS INDUSTRIES LIMITED

Regd. Office: Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123

Tel. No. 98761-00948, CIN- L17115PB1979PLC003994

Website : www.shreyansgroup.com, Email : atl@shreyansgroup.com

Form No. MGT-11**Proxy form**

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

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of Shares of Shreyans Industries Limited, hereby appoint:

1. Name :
2. Address :
3. E-mail Id :
4. Signature :, or failing him/her

1. Name :
2. Address :
3. E-mail Id :
4. Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual general meeting of the Company, to be held on Tuesday, the 12th day of August, 2025 At 11.00 a.m. at registered office of the company at Village: Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- 1 2 3
- 4 5

Signed this day of 2025

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp here

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



SHREYANS INDUSTRIES LIMITED
ATTENDANCE SLIP

I here by record my presence at the 45th **ANNUAL GENERAL MEETING** of the Company being held on Tuesday, the 12th August, 2025 at 11.00 a.m. at the Registered Office of the Company Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

.....
Full Name of the Shareholder
(IN BLOCK LETTERS)

Signature

Folio No

Client ID.

Full Name of Proxy
(IN BLOCK LETTERS)

D. P. ID.

- NOTE :**
1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
 2. A proxy need not be a member.



Our Product Is *White*,

Our Mission is *Green*

A hand holding a black pen is shown writing on a white scroll. The scroll is unrolled and has the text 'We don't cut trees to produce our paper' written on it in a green, sans-serif font.

**We don't cut
trees to
produce our
paper**



Shreyans

Product List

| SKU's | Application |
|-------------------------------------------|-------------------------------------------------------------------------|
| Shreyans Super Print | Used in notebooks, copies, registers and Single- or Two-colour printing |
| Rishabh Gold | Used in notebooks, copies, registers and Single- or Two-colour printing |
| Shreyans Natural Print | Used in diaries and two-colour printing |
| Shreyans Cartridge | Used in drawing books and novels |
| Watermark Maplitho Paper | Used in government text book printing |
| Shreyans Evershine (surface sized) | Used in publishing and four colour printing in premium segment |
| Shreyans Natural Shine (surface sized) | Used in diaries, novels and four colour printing in premium segment |
| Rishabh Colour Printing | Used in indent books, invoices, craft books and leaflets |
| Rishabh Azurelaid | Used in ledger, account books, legal document printing and envelopes |
| Shreyans Primera Copier | Used in photocopy, scanner, inkjet/LaserJet printer and fax machine |





PRIMERA

Copier Paper



Marketing office

5 A-C, Gopala Tower

25, Rajendra Place

New Delhi - 110 008

Email : sil.delhi@shreyansgroup.com

*Eco
Friendly*

*Jam
Free*

*Wood
Free*