

Regd. Office & Corporate Office : 373, Industrial Area-A, LUDHIANA - 141 003 (INDIA)
Phones : +91-161-2600701 to 705, 2606977 to 980 Fax : +91-161-2222942, 2601956
E-mail : secnsm@owmnahar.com Web Site : www.owmnahar.com
CIN No. : L17115PB1980PLC004341 GST No. : 03AAACN5710D1Z6

NSML/SD/2025-26/

AUGUST 28, 2025

The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) MUMBAI – 400 051	The BSE Limited 25th Floor, P.J. Tower, Dalal Street, Mumbai MUMBAI – 400 001
SYMBOL: NAHARSPING	SCRIP CODE: 500296

SUB: ANNUAL REPORT 2024-25

Dear Sir/Madam,

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

The same has also been uploaded on Company's website i.e. www.owmnahar.com.

This is for the information of the general public as well as members of the Exchange.

Thanking you,

Yours faithfully,

For NAHAR SPINNING MILLS LIMITED

(BRIJ SHARMA)
COMPANY SECRETARY
M. No.F2458
Encl. As above



Gurugram Office :

Flat No. 22-B, Sector-18, Gurugram - 120 015
Ph. : +91-124-2430532, 2430533
Fax : +91-124-2430536
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The Nahar Group

45th ANNUAL REPORT 2024-25



Nahar SPINNING MILLS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal

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

Chairman

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

CHIEF FINANCIAL OFFICER

Sh. Anil Garg

G.M. (FINANCE)

Sh. P.K. Vashishth

COMPANY SECRETARY

Sh. Brij Sharma

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

M/s Alankit Assignments Limited
Alankit House, 4E/2,
Jhandewalan Extension
New Delhi - 110 055.

PRINCIPAL BANKERS

: Punjab National Bank, State Bank of India

REGD. OFFICE

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

WORKS

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

45th ANNUAL GENERAL MEETING

Day : Thursday
Date : 25th September, 2025
Time : 10.00 A.M.
Mode : Video Conference (VC) or other
Audio Visual Means (OAVM)

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **45th ANNUAL GENERAL MEETING (AGM)** of the members of **NAHAR SPINNING MILLS LIMITED ('the Company')** will be held on **Thursday, the 25th day of September, 2025 at 10.00 A.M** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities & Exchange Board of India in this regard, to transact the following businesses:

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

To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2-DECLARATION OF DIVIDEND

To declare a Dividend of Rs. 1.00/- per Equity Share of Rs. 5/- each on Equity Share Capital for the financial year ended 31st March, 2025.

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

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

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

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

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

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors M/s. Ramanath Iyer & Co. (Firm Registration No. 000019), New Delhi appointed by the Board to conduct the audit of the Cost Records of the Company for the financial year 2025-26 at a remuneration of Rs. 2.05 Lakhs (Rupees Two Lakhs Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred, be

and is hereby ratified.”

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

ITEM NO. 6-TO APPOINT M/S. P.S. BATHLA & ASSOCIATES, AS THE SECRETARIAL AUDITOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Audit Committee and the Board of Directors of the Company, Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla and Associates, Peer Reviewed Company Secretary in Practice, Ludhiana having Certificate of Practice Number 2585, be and is hereby appointed as Secretarial Auditor of the Company for a period of five consecutive years commencing from financial year 2025-26 till financial year 2029-30 on such remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditor.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”

ITEM NO. 7-TO RE-APPOINT DR. ROSHAN LAL BEHL (DIN: 06443747) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and Board of Directors, Dr. Roshan Lal Behl (DIN: 06443747), who was appointed as an Independent Director for 5(five) consecutive years by the shareholders on September 29, 2020 and who holds office upto



September 29, 2025 and who qualifies for being appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a second term w.e.f. September 30, 2025 upto September 29, 2030.”

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

ITEM NO. 8 – TO APPROVE THE PAYMENT TO SH. JAWAHAR LAL OSWAL (DIN: 00463866), NON - EXECUTIVE DIRECTOR/CHAIRMAN OF THE COMPANY UNDER REGULATION 17(6)(CA) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

“RESOLVED THAT pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013, if any, and as per the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent and approval of the Members be and is hereby accorded for payment @0.50% of Export Sales of the Company to Sh. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/Chairman of the Company, as approved by the Shareholders vide their Special Resolution dated 25th September, 2024, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company, for the financial year 2025-26.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO. 9 - TO APPROVE THE TRANSACTION(S) / CONTRACT(S) WITH RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, as amended from time to time, consent and approval of the members be and is hereby accorded to the Board of Directors to enter into an Agreement(s)/Contract(s)/Transaction(s), in the ordinary course of business with Group Companies/Related Parties namely: M/s. Oswal Woollen Mills Limited, M/s. Nahar Industrial Enterprises Limited, M/s. Monte Carlo Fashions Limited, M/s. Nahar Poly Films Limited, M/s. Nahar Capital and Financial Services Limited and other Promoter Group Companies & Associates, for sale and purchase of Yarns, Fabrics, Garments, job work of manufacturing of garments and waste, ICDs etc. providing of financial services, Leasing of property and rent etc. and others, on arm's length basis on such terms and conditions as may be mutually agreed between the Company and the Group Companies/ Related parties for a period of three years w.e.f. 1st April, 2026, which may be renewed with the mutual consent of parties thereto.”

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

**By Order of the Board
For Nahar Spinning Mills Limited**

Dated: 31st July, 2025

Registered Office:

373, Industrial Area-A,

Ludhiana -141003 (India)

CIN: L17115PB1980PLC004341

E-mail: secnsm@owmnahar.com

**Brij Sharma
(Company Secretary)
Mem. No. FCS 2458**

NOTES:

- 1. The Ministry of Corporate Affairs (MCA) vide its General Circular No. 20/2020 dated May 05, 2020, read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated September 19, 2024 (referred to as “MCA Circulars”) has permitted to conduct the Annual General Meeting through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) upto September 30, 2025. In compliance with aforesaid MCA Circulars, the 45th Annual General Meeting will be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue. Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 26. The 45th AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.**



2. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
4. Pursuant to MCA Circulars and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations), the facility to appoint proxy to attend and cast vote for the members is not applicable for this AGM as this AGM would be conducted through VC / OAVM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the MCA Circulars and SEBI (LODR) Regulations, the Notice calling the AGM alongwith Annual Report for the year 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. A letter providing the web-link for accessing the Annual report, including the exact path, is being sent to those members who have not registered their email address with the Company. However, hard copy of full annual report will be sent to the shareholder who request for the same.

Members may note that Notice and Annual Report 2024-25 has been uploaded on the website of the Company at www.ownahar.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The Register of Members and Share Transfer Register of the Company shall remain closed from 6th September, 2025 to 10th September, 2025 (both days inclusive) for the purpose of equity dividend for the year ended 31st March, 2025.
8. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall

appear in Register of Members as on 5th September, 2025 or Register of Beneficial Owners, maintained by the Depositories at the close of 5th September, 2025.

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, in accordance with the provisions of the IT Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. In terms of the provisions of Section 152 of the Companies Act, 2013, Sh. Dinesh Gogna (DIN: 00498670) and Sh. Kamal Oswal (DIN: 00493213), Non-Executive Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend their respective re-appointments.
11. The relevant information under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be re-appointed, is given hereto and form part of the Notice.
12. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2016-17 has been transferred to Investor Education and Protection Fund. Further, unpaid dividend for the year 2017-18 is to be transferred to Investor Education and Protection Fund in November, 2025. Shareholders who have not yet claimed the dividend relating to said period are requested to claim the amount from the Company at the earliest.



13. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend was remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://www.ownahar.com/spinning/pdf/Financial-year2016-17.pdf>.
14. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. Concerned members/investors are advised to access the web link: <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html> for lodging claim in e-Form IEPF-5 for refund of shares and / or dividend from the IEPF Authority.
15. As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form.
- In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.
- 16. SPECIAL WINDOW FOR RE-LODGE MENT OF TRANSFER REQUESTS:** SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, opened an one time special window from July 07, 2025 to January 06, 2026 for physical shareholders, where the original share transfer requests were lodged prior to April 01, 2019 and were returned or rejected due to deficiencies in documentation, process or any other reason, to submit re-lodgement requests. The shares re-lodged for transfer will be processed only in dematerialized form during this window.
- Eligible shareholders may submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period.
- 17. ELECTRONIC CREDIT OF DIVIDEND:** SEBI vide its various circulars has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, contact details including mobile number, bank account details and specimen signature. Hence, shareholders are requested to update your above mentioned details with the Company at the earliest in order to avoid any delay in receipt of dividend.
- In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details alongwith 9 digit MICR code of their Bank to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated Letter of Entitlement will be issued to such Members after making requisite changes.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
20. As per SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, it is mandatory for all the holders of physical securities in listed company to furnish/ update PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ISR-3/SH-14.
- Communication in this regard has been sent to all physical holders whose folios are not KYC updated at the latest available address. Members are again requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141 003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at http://www.ownahar.com/spinning/kyc_updation.php
21. SEBI vide its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 as amended from time to time, has established a common Online Dispute Resolution Portal (Smart



ODR) to raise disputes arising in the Indian Securities Market. After exhausting the option for resolution of the grievance with the RTA/Company directly and through SCORES portal, the investors can initiate dispute resolution through the ODR Portal i.e. <https://smartodr.in/login>.

22. As an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition. Therefore, Members are requested to kindly get their shares dematerialized at the earliest.
23. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 25, 2025. Members seeking to inspect such documents can send an email to secnsm@owmnahar.com.
24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

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

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secnsm@owmnahar.com or rta@alankit.com.
2. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

26. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM 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 22nd September, 2025 (9:00 a.m.) and ends on 24th September, 2025 (5:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2025, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The members who have voted through remote e-voting will be eligible to attend the AGM but they will not be entitled to vote at the AGM.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates



registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

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

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with 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 and My Easi New (Token) Tab. 2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the E-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-

	Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from 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.
Individual Shareholders holding securities in demat mode with NSDL Depository	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 redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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/IdesDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click



	on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/e-voting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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 21 09911
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 toll free no.: 022 - 4886 7000 and 022 - 2499 7000

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

(v) Login method of e-Voting and joining virtual AGM for **Physical Shareholders & shareholders other than individual shareholders holding in demat form.**

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- 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) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company or contact Company/RTA.
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. 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

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders



for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. **Click on the EVSN for NAHAR SPINNING MILLS LIMITED i.e. 250812020 to vote.**
- k. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- m. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p. If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- r. **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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 mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at bathla7@gmail.com and to the Company at secnsm@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (vi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th September, 2025 may follow the same instructions as mentioned above for e-Voting.
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911.
- (vii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800-21-09911.
- (viii) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:
- Mr. Brij Sharma,
Company Secretary and Compliance Officer
373, Industrial Area-A, Ludhiana – 141003
CIN: L17115PB1980PLC004341
Phone: 0161-2600701 to 705
E-mail: secnsm@owmnahar.com

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

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.



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

Other instructions:

- 28. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.
- 29. The Company has appointed Mr. P.S. Bathla,

Practicing Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.

- 30. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM.
- 31. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL i.e. www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- 32. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 45th Annual General Meeting i.e. 25th September, 2025.
- 33. A person who is not a Member as on the cut off date i.e. 18th September, 2025 should treat this Notice for information purposes only.

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

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 5 to Item No.9 of the accompanying Notice:

ITEM NO. 5

As per the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended Company's activities fall within the purview of Cost Audit requirement. Accordingly, the Board at its meeting held on 28th May, 2025 on the recommendation of Audit Committee, approved the appointment of M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) at a remuneration of Rs. 2.05 Lakhs (Rupees Two Lakhs Five Thousand only) plus applicable taxes and Reimbursement of Out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2025-26.

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

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



Accountants (Firm Registration No. 000019) for financial year 2025-26.

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

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

ITEM NO. 6

Information pursuant to Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, the appointment of Secretarial Auditor is required to be approved by the Shareholders of the Company at the Annual General Meeting. The term of appointment of Secretarial Auditor cannot be more than one term of five (5) consecutive years in case of an individual as Secretarial Auditor.

The Board of Directors at their meeting held on May 28, 2025, based on recommendations of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc. have approved the appointment of Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla & Associates, Peer Reviewed Company Secretary in Practice (CP No. 2585), as Secretarial Auditor of the Company for an audit period of five consecutive years commencing from FY 2025-26 till FY 2029-30 subject to approval of the shareholders of the Company. The recommendation is based on various factors like fulfilment of eligibility criteria, capability, knowledge, expertise and experience in conducting the secretarial audit, audit methodology and reputation of M/s. P.S. Bathla & Associates.

The appointment of Secretarial Auditor shall be in terms of the amended Regulation 24A of the Listing Regulations and provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla & Associates is a Fellow Member of the Institute of Company Secretaries of India with over 42 years of experience in dealing the matters relating to Corporate Laws, SEBI Regulations etc. His expertise includes conducting Secretarial Audits, Advisory Services and Compliance Audits etc. He has been conducting the secretarial audit of the Company since financial year 2014-15.

Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla &

Associates has provided his consent and confirmed that he is not disqualified and is eligible to be appointed as Secretarial Auditor in terms of Regulation 24A of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024. The services to be rendered by M/s. P.S. Bathla & Associates as Secretarial Auditor are within the purview of above said regulation and SEBI circular.

The remuneration to be paid to Secretarial Auditor during the term shall be as mutually agreed between the Board of Directors and Secretarial Auditor, from time to time.

None of the Directors, Key Managerial Personnel of the Company or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

ITEM NO. 7

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Roshan Lal Behl (DIN: 06443747) was appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto September 29, 2025. Thus, his period of office will be expiring on September 29, 2025.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Roshan Lal Behl (DIN: 06443747) and on the basis of report of performance evaluation, the Board in its Meeting held on 31st July, 2025 has proposed the re-appointment of Dr. Roshan Lal Behl (DIN: 06443747) as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from September 30, 2025 upto September 29, 2030.

Dr. Roshan Lal Behl (DIN: 06443747) is 68 years of age. He is M.Com, MBA (Financial Management) and Ph.D. (Corporate Disclosure Practices of Indian Companies). He is having more than 39 years of experience in Teaching. He retired as Principal from Sri Aurobindo College of Commerce and Management, Ludhiana. He has also served as Director of Ludhiana Stock Exchange from 2012 to 2014. He has served as Independent Director in various Listed Companies. Having regard to his vast knowledge and expertise, it will be in the interest of the Company to appoint him as an Independent Director, for a second term of 5(five) years.

As identified by the Nomination and Remuneration Committee of the Company, the role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, industry knowledge and experience, understanding of relevant laws, rules, regulations and policies, financial knowledge, policy shaping, corporate governance, risk



management etc. Accordingly, the performance evaluation of Dr. Roshan Lal Behl (DIN: 06443747) was conducted on parameters such as his education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, including attendance at Board and Committee Meetings, independence of judgment, decision making ability for safeguarding the interest of the Company and its stakeholders etc.

The Nomination and Remuneration Committee and the Board reviewed and confirmed that Dr. Roshan Lal Behl (DIN: 06443747) is independent of the Management and possesses appropriate skills, experience and knowledge as required to be an Independent Director of the Company. He is not debarred from holding the office of director by virtue of any order by the Securities and Exchange Board of India or any other authority.

Having regard to his vast knowledge and expertise, the Board is of the opinion that his continued association would be of immense beneficial to the Company and it is desirable to re-appoint him as an Independent Director for a second term of 5(five) years to avail his services as an Independent Director.

The Company has received from Dr. Roshan Lal Behl (DIN: 06443747) (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Roshan Lal Behl (DIN: 06443747) fulfills the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.ownnahar.com.

Dr. Roshan Lal Behl (DIN: 06443747) does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Roshan Lal Behl (DIN: 06443747), Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

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

Brief profile of Dr. Roshan Lal Behl (DIN: 06443747) along with other information, as stipulated under

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are provided at the end of this Notice.

ITEM NO. 8

The Shareholders vide their Special Resolution dated 25th September, 2024 approved the payment @0.50% of Export Sales of the Company, to Sh. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/ Chairman of the Company w.e.f. 1st October, 2024 for a period of three years for his expert Advice/Services to the Company.

Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

Accordingly, the Board, on the recommendation of Nomination and Remuneration Committee, Audit Committee has sought approval of the members by way of Special Resolution under Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the said payment in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2025-26.

Sh. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/ Chairman may be deemed to be concerned or interested in the aforesaid resolution. Sh. Dinesh Oswal (DIN: 00607290), Managing Director and Sh. Kamal Oswal (DIN: 00493213), Director of the company, being relatives of Sh. Jawahar Lal Oswal may be deemed to be concerned or interested in the aforesaid resolution. The other relatives of Sh. Jawahar Lal Oswal may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the company.

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

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

ITEM NO. 9

M/s. Monte Carlo Fashions Limited, M/s. Nahar Industrial Enterprises Limited, M/s. Oswal Woollen Mills Limited, M/s. Nahar Poly Films Limited, M/s. Nahar Capital and Financial Services Limited and other Promoter Group Companies & Associates, are the Related Parties as per section 2(76) and Section 188 of the Companies Act, 2013. M/s. Monte Carlo Fashions Limited is engaged in



the retail Business of Garments. M/s. Nahar Industrial Enterprises Limited and M/s. Oswal Woollen Mills Limited are engaged in the manufacture of yarns, cotton and woollen garments and fabric.

These Companies in the ordinary course of business buy/sell garments, yarns and fabrics etc. and also getting job work of manufacturing of garments from the Company. Sometimes, transactions with M/s. Nahar Poly Films Limited, M/s. Nahar Capital and Financial Services Limited and other Promoter Group Companies & Associates also take place. All the transactions entered with Promoter Group Companies & Associates are in the ordinary course of business and are on Arm's length basis.

All the related party transaction(s) specified under section 188(1), the value/consideration of which is in excess of their respective limits prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, has to be approved by the members in the General Meeting. Whereas the third proviso to section 188(1) also states that nothing in section 188(1) will apply to any transaction entered into by the Company in its Ordinary course of business and at arm's length basis.

Further in accordance with Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Company is required to seek shareholder's approval for material related party transactions.

Taking into Account the statutory provisions, Board of Directors intend to seek your prior approval for the Contracts(s)/Agreement(s)/Transaction(s) to be entered with the Group Companies or Related Parties for a period of three years w.e.f. 1st April, 2026.

Sh. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/Chairman, Sh. Dinesh Oswal (DIN: 00607290), Managing Director and Sh. Kamal Oswal (DIN: 00493213), Director of the Company, may be deemed to be concerned or interested in the aforesaid resolution. The other relatives of Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal and Sh. Kamal Oswal may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company and Promoter Group Companies & Associates.

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

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the Members.

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and Secretarial Standard - 2 on General Meetings regarding particulars of Director seeking re-appointment:

1. Name	Sh. Dinesh Gogna (DIN:00498670)
Age	72 Years
Date of first appointment	21.05.1985
Qualification	BA, LLB
Expertise	Having more than 48 years of experience in Corporate Finance and Taxation

Listed Companies (other than Nahar Spinning Mills Limited) in which Sh. Dinesh Gogna holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2025:

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

Chairmanship of Board Committees:

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

Membership of Board Committees:

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

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

No. of Board Meetings attended during the year: 4

Shareholding in the Company: Nil



Disclosure of relationship between Directors inter-se: Nil

Terms and Conditions of appointment / reappointment: Re-appointment as a Non-Executive Director liable to retire by rotation

Remuneration drawn for FY 2024-25: Sitting Fees of Rs. 40,000/-

Details of Remuneration sought to be paid: He shall be paid a fee for attending meetings of the Board.

2. Name	Sh. Kamal Oswal (DIN:00493213)
Age	63 Years
Date of first appointment	30.09.1991
Qualification	B.Com
Expertise	Having more than 43 years of experience in Textile & Woollen Industry

Listed Companies (other than Nahar Spinning Mills Limited) in which Sh. Kamal Oswal holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2025:

Directorship of Board:

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

Chairmanship of Board Committees:

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

Membership of Board Committees:

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

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

No. of Board Meetings attended during the year: 4

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

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

Terms and Conditions of appointment / reappointment: Re-appointment as a Non-Executive

Director liable to retire by rotation

Remuneration drawn for FY 2024-25: Sitting Fees of Rs. 40,000/-

Details of Remuneration sought to be paid: He shall be paid a fee for attending meetings of the Board

3. Name	Dr. Roshan Lal Behl (06443747)
Age	68 Years
Date of first appointment	29.09.2020
Qualification	M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies)
Expertise	He is Commerce Post Graduate and having good Financial & Accounting knowledge. Having more than 39 years of experience in Teaching. He retired as Principal. He served as Director of Ludhiana Stock Exchange Limited from 2012-2014.

Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Roshan Lal Behl holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2025:

Directorship of Board:

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

Chairmanship of Board Committees:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Limited	Audit Committee
2	Nahar Capital and Financial Services Limited	Risk Management Committee
3	Oswal Leasing Limited	Audit Committee
		Stakeholder's Relationship Committee
		Nomination & Remuneration Committee
		Share Transfers Committee
4	Nahar Poly Films Limited	Audit Committee

**Membership of Board Committees:**

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Limited	Nomination & Remuneration Committee
2	Nahar Capital and Financial Services Limited	Audit Committee
		Nomination & Remuneration committee
		Share Transfer Committee
3	Monte Carlo Fashions Limited	Audit Committee
		Nomination & Remuneration Committee
		Stakeholder's Relationship Committee
		Corporate Social Responsibility Committee

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

No. of Board Meetings attended during the year: 4

Shareholding in the Company: 27 Equity Shares of Rs. 5/- each

Disclosure of relationship between Directors inter-se: Nil

Terms and Conditions of appointment / reappointment: Re-appointment as an Independent Director for a second term w.e.f. September 30, 2025

Remuneration drawn for FY 2024-25: Sitting Fees of Rs. 40,000/-

Details of Remuneration sought to be paid: He shall be paid a fee for attending meetings of the Board.

**By Order of the Board
For Nahar Spinning Mills Limited**

Dated: 31st July, 2025

Registered Office:

**373, Industrial Area-A,
Ludhiana -141003 (India)**

CIN: L17115PB1980PLC004341

E-mail: secnsm@owmnahar.com

**Brij Sharma
(Company Secretary)
Mem. No. FCS 2458**



**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the **Forty-Fifth Annual Report** on the affairs of the Company for the financial year ended 31st March, 2025.

FINANCIAL PERFORMANCE

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

(Rs. in Crores)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Total Income (Operational and Other Income)	3318.91	3065.57
Less: Total Expenses	3292.54	3121.09
Profit/(Loss) before tax and Exceptional Items	26.37	(55.52)
Less: CSR Expenses	5.24	5.86
Profit/(Loss) before tax	21.13	(61.38)
Less: Tax expenses (including deferred tax)	8.78	10.30
Net Profit/(Loss) from continuing operations	12.35	(51.08)

INDIAN ACCOUNTING STANDARD

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

MODERNIZATION OF COMPANY'S SPINNING UNITS

Before reviewing the Operational performance, we are pleased to inform you that Company is going in for modernization of its spinning units at various locations, by adding ultra-modern machineries at a capital outlay of Rs. 325 Crores (approx.). The company is also putting up 11 M.W. Solar PV System at a capital outlay of Rs. 25 Crores, for its own consumption. The modernization plan will be financed through internal accruals as well term loan from the company's bankers. The said modernization will be completed by Financial Year 2027-28. This will help the company in improving quality as well as operational efficiencies and will enable the company to diversify and increase its exports to quality conscious markets of U.S. and European Union.

OPERATIONAL REVIEW AND STATE OF AFFAIR

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

In spite of prevailing Geo-Political situations and Global Challenges, your Company has been able to improve its

performance during the year under review. The Company achieved a total income from operations of Rs. 3318.91 Crores showing an increase of 8.26% over the previous year. Likewise, the export at Rs. 1634.53 Crores has also shown an increase of 0.58% when compared with the previous year. The profitability of the Company has substantially improved and it earned EBITDA of Rs. 195.79 Crores as against Rs. 99.11 Crores in the previous year. After providing depreciation of Rs. 95.22 Crores and finance cost of Rs. 74.20 Crores, company earned a profit of Rs. 26.37 Crores as against a loss in the previous year. After providing tax expense (including deferred tax charge) of Rs. 8.78 Crores and CSR expenses of Rs. 5.24 Crores, the net profit comes to Rs. 12.35 Crores.

During the current year, the company is performing well but the prevailing Geo-Political situation, U.S. Trade Tariff and slowdown in Global Demand are still posing challenges to Textile Industry. Your management is looking at the future with optimism and expects that the company will be able to perform reasonably good in the coming period.

TRANSFER TO RESERVES

During the year the company has not transferred any amount to Reserves and has kept the net profit of Rs. 12.35 Crores in the retained earning in the financial statements of the company. Thus, the Company's Reserves (other equity) stands at Rs. 1471.31 Crores as on 31st March, 2025.

CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY (DDP)

We are pleased to inform you that your Board in its meeting held on 28th May, 2025 has recommended a dividend of Rs. 1.00/- per equity shares of Rs. 5/- each (i.e. @ 20%) for the year ended 31st March, 2025, out of the profits of the company. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting scheduled to be held on 25th September, 2025.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the Profits of the Company for the year under reference, to all those shareholders whose names shall appear in the Register of Members on 5th September, 2025 or Register of beneficial Owners, maintained by the Depositories as at the close of 5th September, 2025. Further, as per the Finance Act, 2020 dividend income is taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961.



Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended, a Dividend Distribution Policy setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company, is available on the website of the Company at http://www.ownnahar.com/spinning/pdf/dividend_distribution.pdf.

INVESTOR EDUCATION AND PROTECTION FUND

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

Accordingly, the Company has transferred an amount of Rs.15,75,827.00/- (Rupees Fifteen Lakhs Seventy Five Thousand Eight Hundred Twenty Seven only) being the amount of unclaimed dividend for the year 2016-17 to the Investor Education and Protection Fund in November, 2024. The shareholders whose dividends have been transferred to IEPF Authority can claim their dividend from the Authority. Further, pursuant to Section 124 of the Companies Act, 2013, unpaid or unclaimed dividend for the year 2017-18 will have to be transferred to the Investor Education and Protection Fund in November, 2025. The Company has already sent emails/notices in the month of May, 2025 to the members informing them to claim the Unclaimed Dividend before such transfer of dividend to the Investor Education and Protection Fund.

Besides, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the equity shares on which dividend remains unpaid or unclaimed by the shareholders for seven consecutive years or more is required to be transferred to the Demat Account of the IEPF Authority. Accordingly in compliance of the provisions of the Act, 37695 (Thirty Seven Thousand Six Hundred Ninety Five only) equity shares of Rs. 5/- each were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the shareholders whose shares are transferred to the Demat account of IEPF Authority are available on Company's website [https://www.ownnahar.com/spinning/pdf/pertaining-to-fy-\(2016-17\).pdf](https://www.ownnahar.com/spinning/pdf/pertaining-to-fy-(2016-17).pdf)

Further, shares in respect of unclaimed/unpaid dividend for seven consecutive years from the financial year 2017-18 shall be transferred to Investor Education and Protection Fund pursuant to IEPF Rules in November,

2025. The Company has sent letter to the shareholders and published the Notice in the Newspaper informing them to claim the unclaimed dividend from the Company at the earliest. The list containing the details of shares alongwith unclaimed/unpaid dividend for seven consecutive years to be transferred to the IEPF Authority are available on Company's website at https://www.ownnahar.com/spinning/pdf/pertaining_to_fy_2017-18.txt.

The shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. Concerned members/investors are advised to access the web link: <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html> for filling e-Form IEPF-5 for refund of shares and/or dividend from the IEPF Authority.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015.

The Board has taken on record the declarations and confirmations submitted by the Independent Directors. In the opinion of the Board, all Independent Directors hold high standards of integrity and possess requisite qualifications, experience and expertise as required to discharge their duties as Independent Directors with an objective independent judgment and without any external influence. All the Independent Directors have confirmed that they are in compliance with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

• Re-appointment of Directors

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

- Further, the first term of office of Dr. Roshan Lal Behl (DIN: 06443747), as an Independent Director of the Company, will expire on September 29, 2025. The



Board, on the recommendation of Nomination and Remuneration Committee and on the basis of report of performance evaluation, has decided to re-appoint Dr. Roshan Lal Behl (DIN: 06443747), as an Independent Director for a second term of five consecutive years w.e.f. September 30, 2025 upto September 29, 2030. The necessary resolution for his re-appointment has been proposed in the accompanying Notice for your approval

• **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Sh. Dinesh Oswal (DIN: 00607290), Managing Director, Sh. Anil Garg, Chief Financial Officer and Sh. Brij Sharma, Company Secretary are the Key Managerial Personnel (hereinafter referred as KMP) of the Company and there has been no change in the KMP since the last fiscal year.

BOARD EVALUATION

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

The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination and Remuneration Committee of the Company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Fiscal 2025 was discussed by the Nomination and remuneration Committee in its meeting held on 28th May, 2025 and the Board in its meeting held on 28th May, 2025.

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

CORPORATE POLICIES:

As per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the listed Companies are required to formulate certain policies. As a good

corporate entity, the Company has already formulated several corporate governance policies and the same are available on the Company's website i.e. www.ownahar.com. The said policies are reviewed periodically by the Board to make them in compliance with the new Regulations/requirements.

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

Name of the Policy	Brief Description
Appointment Remuneration Policy	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The policy formulates the principle and criteria for determining qualification, competence, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of Directors, Key Managerial Personnel and other employees. The Policy has been uploaded on the Company's website and can be accessed at http://www.ownahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf
Corporate Social Responsibility	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/projects/Activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013 relating to promoting education, healthcare, environment, hunger, poverty, rural development etc. The Policy has been uploaded on the Company's website and can be accessed at http://www.ownahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf
Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013 Company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its



	Directors and employees. The aim of the policy is to provide a channel to the Directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/vigil_mechanism_25.pdf	Policy for Preservation of documents	The Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per requirements of applicable laws.
Policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has approved a policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions. The Policy regulates the transaction between the Company and its Group Companies and related parties. The policy has been uploaded on Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2025.pdf	Archival Policy	Pursuant to the requirements of Regulation 30(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Archival Policy in its Meeting held on 10th February, 2016. The policy ensures protection, maintenance and archival of Company's disclosures, documents and records that are placed on Company's website i.e. www.owmnahar.com
Insider Trading Policy	Pursuant to the SEBI (Prohibition of Trading Policy Insider Trading) Regulations, 2015 as amended from time to time, the Board has adopted the following Codes to provide framework for dealing in the Securities of the Company by the Insiders: - Code of practices and procedures for fair disclosure of unpublished price sensitive information - Code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons The Codes help to regulate trading in securities by the designated persons and immediate relatives of designated persons. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/code-of-practices.pdf	Board Diversity Policy	The Board of Directors in their Meeting held on 12th November, 2014 has approved and adopted the Board Diversity Policy as per the recommendation of Nomination and Remuneration Committee. The policy envisages diversification of Company's Board in respect of age, knowledge, experience and expertise.
		Dividend Distribution Policy	Pursuant to the requirements of regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations 2021, the Board of Directors in their Meeting held on 31st May, 2021 has approved and adopted the Dividend Distribution Policy. The policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy has been uploaded on Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf
		Risk Management Policy	The Board of Directors has formulated and adopted Risk Management Policy as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten



the existence of the Company. The policy has been uploaded on Company's website and can be accessed at <http://www.ownahar.com/spinning/pdf/risk-management-policy-22.pdf>

APPOINTMENT AND REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under Section 178(3) of the Companies Act, 2013. The objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of Governance and Management. The present Board consists of ten members. Sh. Jawahar Lal Oswal (DIN: 00463866) is a Non-Executive Director/Chairman. Sh. Dinesh Oswal (DIN: 00607290) is a Managing Director. There are four Non-Executive Directors and five are Independent Directors out of which one Director namely; Dr.Manisha Gupta (DIN: 06910242) is a Woman Director on the Board.

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

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their meeting on 11th November, 2024 without the attendance of Non-Independent Directors and members of the Management. All Independent Directors were present at the meeting. At the meeting they:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole;
2. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors;
3. Assessed the quality, quantity and timeliness of the flow of information between the Company's

management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAMS FOR BOARD MEMBERS

At the time of appointing a Director, the Company issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All the Independent Directors are provided with all policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The details of the Company's policy on Familiarization Programs conducted during the year under review for Independent Directors are posted on the Company's website and can be assessed at: <https://www.ownahar.com/spinning/pdf/familiarization-program-2024-25.pdf>

NO. OF BOARD MEETINGS

During the year under review, the Board of Directors of the Company met four times i.e. 29th May, 2024, 12th August, 2024, 12th November, 2024 and 3rd February, 2025 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Company is engaged in the Manufacture & Exports of yarns and knitted garments. Likewise some Group Companies (which are public limited Companies) are also engaged in the Textile Industry. Because of nature of Industry, sometimes sale/purchase/fabrication jobs etc. transactions takes place between the Group Companies, in the ordinary course of business on Arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013. However, the transactions entered into with the Group Companies/Related Parties, during the year under review, has been given in Notes to the financial statements in accordance with the Accounting Standards.



The Company has not entered into any contract or arrangement with the related parties as referred in Section 188(1) of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2025. Thus the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the Group Companies transactions regarding sales/purchase etc. are placed before the Audit Committee as well as the Board, for their information and approval.

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

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

SHARE CAPITAL

The Paid up equity share capital of the Company as on 31st March, 2025 is Rs. 1803.27 Lakhs. During the year under review, Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor granted any stock options or sweat equity under any scheme.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Directorate General of GST Intelligence has passed orders u/s 74 of CGST Act, imposing a penalty of Rs. 5 Crores on the Company, for which the Company has gone in for appeal before the Commissioner Appeal and the case is pending as on date.

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

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

CORPORATE SOCIAL RESPONSIBILITY(CSR)

The Company adopted CSR Policy and decided to undertake CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006 with vide Registration No. CSR0000145, having its charitable objects in various fields. The details of the CSR policy are available on the Company's website i.e.

www.ownnahar.com

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, company's CSR obligation for the financial year 2024-25 was Rs.524.00 Lakhs (being the 2% of the average net profits made during the three immediate preceding financial years. During the year under review, the company has contributed an amount of Rs. 501.51 Lakhs to the Oswal Foundation, for undertaking 'Rural Development Project', which is covered under Schedule VII of the Companies Act, 2013. The Foundation undertook 'construction of community hall, kitchen and rooms at main G.T. Road between Doraha and Khanna, Distt. Ludhiana'.

Further, to support Healthcare Initiatives i.e. to facilitate transportation of patients for healthcare-related tasks, Board on the recommendation of CSR Committee donated a vehicle to SSP Mohali, Punjab. The approximate value of the vehicle was Rs. 17.49 Lakhs. This activity falls under the Schedule VII of the Companies Act, 2013. Likewise, the Company has also paid an amount of Rs. 5 Lakhs to the Punjabi University, Patiala under the CSR activities for organizing 83rd Session of Indian History Congress by Department of History and Punjab Historical Studies, Punjabi University, Patiala.

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

AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013, the Board of Directors has already constituted Audit Committee consisting of three Non-Executive Directors under the Chairmanship of Dr. Vijay Asdhir (DIN: 06671174), Sh. Dinesh Gogna (DIN: 00498670) and Dr. Roshan Lal Behl (DIN: 06443747) as members as on 31st March, 2025. Mr. Brij Sharma is the Secretary of the Committee. The Committee held four meetings during the year under review. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or



grievances to the members of the Audit Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such Mechanism. The Mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. whistleblownsm@ownahar.com for reporting the genuine concerns. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at https://www.ownahar.com/spinning/pdf/vigil_mechanism_25.pdf

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

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

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

CREDIT RATING

We would like to inform you that Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/351154/BLR/0824/96450 dated August 27, 2024 has intimated company's rating outlook on the long term bank facilities 'CRISIL A/Negative' (Reaffirmed). The rating on short-term bank facility has been reaffirmed at 'CRISIL A1'.

GREEN INITIATIVE

To save environment and to comply with the provisions of Companies Act, 2013, SEBI (LODR), Regulations, 2015 as amended from time to time, Company is sending documents such as notices of General Meetings, Annual Report and other communications to its shareholders via electronic mode to the registered E-mail addresses of the shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest E-mail addresses with their depository Participant (D.P.) with whom they are having Demat Account or send the same to the Company via E-mail at: secnsm@ownahar.com or gredressalnsml@ownahar.com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the Environment.

LISTING OF SECURITIES

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

- i. The BSE Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

- ii. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051.

The Company has paid listing fee to both the Stock Exchanges for the financial year 2025-26.

DEMATERIALISATION OF SECURITIES

Your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2025, 98.70% of the total Equity Share Capital of the Company has been dematerialized.

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

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

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

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

SPECIAL WINDOW FOR RE-LODGE MENT OF TRANSFER REQUESTS

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, opened a one-time special window from July 07, 2025 to January 06, 2026 for physical shareholders, where the original share transfer requests were lodged prior to April 01, 2019 and were returned or rejected due to deficiencies in documentation, process or any other reason, to submit re-lodgement requests. The shares re-lodged for transfer will be processed only in dematerialized form during this window. Eligible shareholders may submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent within the stipulated period.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

AUDITORS & AUDITORS' INDEPENDENT REPORT

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

M/s. Gupta Vigg & Co., Chartered Accountants, have given declaration to the effect that they have not incurred any disqualification as mentioned under Section 141(3) of the Companies Act, 2013 after their appointment as Statutory Auditors of the Company and they are eligible to continue their above said appointment for the financial year 2025-26.

Audit Report: The Statutory Auditors have submitted the Audit Report on the Financial Statements of the Company for the accounting year ended 31st March, 2025. There were no qualifications, reservations, adverse

remarks or disclaimers in the Report. The observations and comments given by Auditors in their Report read together with the Notes to the Financial Statements are self-explanatory and require no comments.

Cost Auditors: In compliance with the provisions of Section 148 (1) of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, Cost Audit is applicable to the Company. Accordingly, the company is maintaining Accounts and Costing Records. Further, the Board of Directors on the recommendation of Audit Committee has appointed M/s. Ramanathlyer & Co., Cost Accountants (Firm Registration No. 000019), as Cost Auditors of the Company for financial year 2024-25. Accordingly, they have conducted Cost Audit for the Financial Year 2024-25. The report does not contain any qualification, reservation or adverse remark and requires no comments.

The Board has re-appointed M/s. Ramanathlyer & Co., Cost Accountants (Firm Registration No. 000019), to conduct Cost Audit of the Company for the Financial Year 2025-26. They have confirmed their eligibility for the said re-appointment. The remuneration of Rs. 2.05 Lakhs (Rupees Two Lakhs Five Thousand Only) plus applicable taxes and reimbursement of out of Pocket expenses incurred, payable to the Cost Auditors is required to be ratified by the members as per the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, a resolution for ratification of the remuneration of the Cost Auditors has been proposed in the notice of the ensuing Annual General Meeting for your approval.

Secretarial Auditor: In compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 the Board, based on recommendation of the Audit Committee, has approved the appointment of Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla and Associates, Peer Reviewed Company Secretary in Practice, Ludhiana having Certificate of Practice Number 2585, as Secretarial Auditor of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the shareholders of the Company at the ensuing AGM. He has expressed his willingness for appointment as Secretarial Auditor of the Company and has given a written consent and confirmed that he is not disqualified and is eligible to be appointed as Secretarial Auditor in terms of Regulation 24A of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024. The Resolution for his appointment has been proposed for your approval in the accompanying Notice.

Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla and



Associates, Peer Reviewed Company Secretary in Practice, has carried out the Secretarial Audit for the financial year ended March 31, 2025 and submitted their Secretarial Audit Report in Form No. MR-3 which is annexed herewith as 'Annexure II' and form part of this Report.

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

REPORTING OF FRAUDS BY AUDITORS

During the year under review, No frauds were reported by the Statutory Auditors and the Secretarial Auditor under Section 143(12) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

SECRETARIAL STANDARDS

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

BUSINESS RISK MANAGEMENT

In compliance with the provisions of Regulation 21 of SEBI (LODR) (Second Amendment) Regulations, 2021 the company has formed a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Risk Management Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. Dr. Anchal Kumar Jain (DIN: 09546925) and Dr. Roshan Lal Behl (DIN: 06443747), Independent Directors of the Company, are the other two members of the Committee. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness. The Risk Management Committee met two times during the year under review i.e. on 5th April, 2024 and 28th October, 2024.

Your Board has formulated a Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks associated with the business of the Company. The Board as well as Audit Committee regularly overseas the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is operating in Textile segment and has identified certain risks which may affect the performance of the Company. The risks associated with the textile industry are operational risks such as fluctuation in cotton prices, fluctuation in foreign exchange rates, Labour problems etc. There are also Regulatory risks, Global Risks, Cyber Security risks. The Company's Risk Management Policy aims to suggest the steps to be taken to control and mitigate the risk associated with the Company's Textile

Business. We are of opinion that none of identified risk is such that which may threaten the existence of the Company. The Policy is also posted on Company's website and can be accessed at <http://www.ownahar.com/spinning/pdf/risk-management-policy-22.pdf>

INTERNAL FINANCIAL CONTROL

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

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed M/s. Raj Gupta & Co., Chartered Accountants as Internal Auditor of the Company. The company is having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year under review, company's Internal Controls were tested and no reportable weakness in the system was observed.

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

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any Public Deposit within the meaning of Section 73, of the Companies Act, 2013 and the Rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as



required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

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

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

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

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2024-25, the Company has not received any complaints on sexual harassment and hence no complaint remains pending as of 31st March, 2025.

To build awareness regarding sexual harassment, rights of the women under the POSH Act and reporting of complaints as per Company's policy, the Company has conducted seminars under POSH Act during the year under review.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

INFORMATION OF ONE-TIME SETTLEMENT FOR LOANS TAKEN FROM THE BANKS OR FINANCIAL INSTITUTIONS

There is no instance of one-time settlement with any Bank or Financial Institution during the financial year 2024-25, so the requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

The Company is in compliance with the provisions of Maternity Benefits Act, 1961 during the year under review.

ANNUAL RETURN

The Annual Return of the Company, pursuant to the provisions of Section 92(3) read with the Section 134(3)(a) of the Companies Act, 2013 with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2024-25, the Form MGT-7 has been uploaded on Company's website at: <https://www.owmnahar.com/spinning/pdf/Annual-Return-2024-25.pdf>

STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013

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

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

Pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V and other applicable provisions, the Company got shareholders' approval vide Special Resolution dated 29th September, 2021 and 25th September, 2024 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026 to Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. A remuneration of Rs. 15,86,44,004.00/- (Rupees Fifteen Crore Eighty Six Lakhs Forty Four Thousand Four only) has been paid to Sh. Dinesh Oswal, Managing Director of the Company for financial year 2024-25. Sh. Dinesh Oswal is 60 years of age. He is a Commerce Graduate and has business experience of more than 40 years in textile industry and financial expertise. He is employed on contractual basis for five years w.e.f 1st January, 2022 to 31st December, 2026. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Commercial Manager. His shareholding in the Company is 123766 equity shares of Rs. 5/- each. He is related to Sh. Jawahar Lal Oswal, Non- Executive Director/Chairman, Sh. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, President of the Company.

Sh. Jawahar Lal Oswal (DIN: 00463866), Non- Executive Director/Chairman of the Company has been paid sitting fee and payment @ 0.50% of company's exports sale as per the approval of the shareholders vide their special resolution dated September 25, 2024. Sh. Jawahar Lal Oswal is 81 years of age. He is a Commerce Graduate and has business experience of more than 61 years in Textile and Woollen Industry. He is employed on



contractual basis for three years w.e.f 1st October, 2024. He is employed with M/s. Monte Carlo Fashions Limited as Managing Director. His shareholding in the Company is 90374 equity shares of Rs. 5/- each. He is related to Sh. Dinesh Oswal, Managing Director, Sh. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, President of the Company.

Detail of remuneration drawn by Ms. Tanvi Oswal under rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given in 'Annexure-III' of the Directors' Report.

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

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

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

REPORT ON THE CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Regulation

34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as per 'Annexure-VI' and form part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report for the year ended 31st March, 2025 mentioning therein the initiatives taken by the company from an Environmental, Social and Governance (ESG) perspective in the format as specified by the SEBI under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been uploaded on Company's website at: <https://www.ownnahar.com/spinning/pdf/BRSR-2024-25.pdf>

HUMAN RESOURCE/INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

**Place: Ludhiana
Dated: 31st July, 2025**

**Jawahar Lal Oswal
(Chairman)
Din: 00463866**




Annexure-I
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. A brief outline of the Company's CSR Policy:

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

2. Composition of CSR Committee:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company's Corporate Social Responsibility (CSR) Committee comprises of three members under the Chairmanship of Sh. Dinesh Oswal (DIN: 00607290), Managing Director. Dr. Yash Paul Sachdeva (DIN: 02012337), Independent Director and Sh. Dinesh Gogna (DIN: 00498670), a Non-Executive Director of the Company, are the other two members of the Committee. During the year under review, the committee held three meetings. The detail is given here under:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Dinesh Oswal	Chairman/Managing Director	3	3
2.	Sh. Dinesh Gogna	Member/Non-Executive Director	3	3
3.	Dr. Yash Paul Sachdeva	Member/Independent Director	3	3

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:

Composition of CSR committee	http://www.ownahar.com/spinning/committees-of-directors.php
CSR Policy	http://www.ownahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf
CSR projects approved by the Board	https://www.ownahar.com/spinning/pdf/CSR-Project-NSML-2024-25.pdf

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:

As per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, the Company is not required to undertake impact assessment, through an independent agency of their CSR projects as the average CSR obligation for the three immediately preceding financial years has been lesser than Rs. 10 Crores. However, to monitor and supervise the Company's CSR projects undertaken, the CSR Committee has entrusted the responsibility to one of its committee member and reports the same to the Committee as well as the Board.

5. (a) Average net profit of the company as per section 135(5): Rs. 26194.00 Lakhs
 (b) Two percent of average net profit of the company as per Section 135(5) – Rs. 524.00 Lakhs
 (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years – Nil
 (d) Amount required to be set off for the financial year, if any – Nil
 (e) Total CSR obligation for the financial year (b+c-d) – Rs. 524.00 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing and other than Ongoing Project): Rs. 524.00 Lakhs
 (b) Amount spent in Administrative Overheads – Nil
 (c) Amount spent on Impact Assessment (if applicable) – NA
 (d) Total amount spent for the Financial Year (a+b+c) – 524.00 Lakhs
 (e) CSR amount spent or unspent for the financial year –



Total amount spent for the financial year	Amount unspent (Rs. in Lakhs)				
	Total amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 524.00	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any –

Sr. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	524.00
(ii)	Total amount spent for the Financial Year	524.00*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	0.00

*The Company's CSR obligation for the financial year 2024-25 was Rs. 524.00 Lakhs. To fulfill its obligation for the financial year 2024-25, Board on the recommendation of CSR Committee contributed an amount of Rs. 501.51 Lakhs to the Oswal Foundation, a Registered society with vide Registration No. CSR0000145, for undertaking 'Rural Development Project', which is covered under Schedule VII of the Companies Act, 2013. The Foundation has undertaken 'construction of community hall, kitchen and rooms at main G.T. Road between Doraha and Khanna, Distt. Ludhiana'.

Further, to support Healthcare Initiatives i.e. to facilitate transportation of patients for healthcare-related tasks, Board on the recommendation of CSR Committee donated a vehicle to SSP Mohali, Punjab. The approximate value of the vehicle was Rs. 17.49 Lakhs. This activity falls under the Schedule VII of the Companies Act, 2013. Likewise, the Company has also paid an amount of Rs. 5 Lakhs to the Punjabi University, Patiala under the CSR activities for organizing 83rd Session of Indian History Congress by Department of History and Punjab Historical Studies, Punjabi University, Patiala.

7. Details of Unspent CSR amount for the preceding three financial years: Nil

Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount Spent in the reporting Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso Section 135(5), If any		Amount remaining to be spent in succeeding financial years	Deficiency, If any
					Amount	Date of transfer		
Nil								

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in Financial Year

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/acquired: No capital asset was created or acquired during the financial year 2024-25 through CSR amount spent.

Furnish the details relating to such asset(s) created or acquired through Corporate Social Responsibility amount spent in 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 percent of the average net profit as per section 135(5) of the Act: Not Applicable

Place: Ludhiana
Dated: 31st July, 2025

(Dinesh Oswal)
Managing Director/ Chairman of CSR Committee
DIN: 00607290

**Form No. MR-3****SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDING 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,
Nahar Spinning Mills Ltd.
373 Industrial Area, Phase A,
Ludhiana, Punjab- 141003

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the **Financial Year 1st April, 2024 to 31st March, 2025** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Nahar Spinning Mills Ltd** ("The Company") for the financial year ended on **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 and Sweat Equity) Regulations, 2021; (**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 Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit Period as there was no event in this regard**)
 - (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, 2021; (**Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review**)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (**Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review**)
 - (VI) Textiles (Development and Regulation) Order, 2001

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

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

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

**2. I further report that**

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

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

For P S Bathla & Associates

**Place: Ludhiana
Dated: 31st July, 2025
UDIN: F004391G000910881**

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

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

'Annexure A'

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

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

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

For P S Bathla & Associates

**Place: Ludhiana
Dated: 31st July, 2025**

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

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

- (i) The detail of remuneration of each Director, Chief Financial Officer and Company Secretary, percentage increase/decrease in their remuneration during the financial year 2024-25 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2024-25	% increase/decrease in Remuneration in the Financial Year 2024-25	Ratio of remuneration of each Director/ to median remuneration of employees
1	*Sh. J.L. Oswal Non-Executive Director	*955,91,680.00 (including sitting fee and fee)	4.60	510.54
2	#Sh. Dinesh Oswal Managing Director	1586,44,004.00	6.56	847.29
3	Sh. Kamal Oswal Non-Executive Director	40000	33.33	0.21
4	Sh. Dinesh Gogna Non-Executive Director	40000	0.00	0.21
5	Sh. S.K. Sharma Non-Executive Director	40000	33.33	0.21
6	Dr. Manisha Gupta Independent Director	40000	0.00	0.21
7	Dr. Vijay Asdhir Independent Director	40000	0.00	0.21
8	Dr. Roshan Lal Behl Independent Director	40000	0.00	0.21
9	Dr. Yash Paul Sachdeva Independent Director	40000	0.00	0.21
10	Dr. Anchal Kumar Jain Independent Director	40000	0.00	0.21
11	Sh. Anil Garg Chief Financial Officer	3414076	5.10	—
12	Sh. Brij Sharma Company Secretary	2792722	5.58	—

Notes:

*Sh. J.L. Oswal, Non-Executive Director/Chairman has been paid an advisory fee @0.50% of export sales in addition to sitting fee.

Sh. Dinesh Oswal, Managing Director, has been paid remuneration from 1st April 2024 to 31st March, 2025, as per shareholders' approval vide their Special Resolution dated 29th September, 2021 and 25th September, 2024 under Section 197 read with Schedule V of the Companies Act, 2013.

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 1.87 Lakhs (approx.)
- (iii) In the financial year, there was an increase of 2.25% in the median remuneration of employees.

- (iv) There were 10497 permanent employees on the rolls of Company as on March 31, 2025.
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2024-25 was 4.24% whereas the increase in the managerial remuneration (Managing Director) for the same financial year was 6.56%.
- (vi) It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

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

Sr. No.	Name & Designation	Remuneration received	Nature of employment (contractual or otherwise)	Qualification & experience	Date of commencement of employment	Age (in years)	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Dinesh Oswal (M.D.)	158644004.00	Contractual	B.Com, 40 Years	01.01.1987	60	Oswal Woollen Mills Ltd., Ldh	0.34	1. S/o Sh. J.L. Oswal (Chairman) 2. B/o Sh. Kamal Oswal (Director)
2	Ms. Tanvi Oswal (President)	25930000	Regular	B.SC (Management) 6 Years	01.11.2018	28	Nahar Spinning Mills Limited, Ldh.	0.00	D/o Sh. Dinesh Oswal (M.D.) & Mrs. Ritu Oswal (Export Advisor)
3	Sh. Mukesh Rustagi (G.M.)	3588630	Regular	B. Tech. 40 Years	01.12.2015	62	Oswal Cotton Spinning Mills, Ldh.	NIL	No
4	Sh. P.K. Vashishth (G.M. Finance & Commercial)	3419084	Regular	FCA 37 Years	06.09.1993	61	Hero Cycles Ltd., Ldh	NIL	No
5	Sh. Anil Kumar Garg (C.F.O)	3414076	Regular	FCA 42 Years	01.02.1993	68	Nahar Fibres Ltd., Jitwal Kalan, Distt. Sangrur	NIL	No
6	Sh. Surender Kumar Bhat (General Manager)	3402535	Regular	B.Tech 41 Years	16.08.2014	63	Maral Overseas Ltd., Indore	NIL	No
7	Sh. Ashwani Kumar Aggarwal (G.M. Export)	3367118	Regular	FCA 38 Years	06.01.1986	62	-	NIL	No
8	Sh. Anil Anand (G.M. Export)	3332424	Regular	Post Graduate 39 Years	11.01.1995	62	Malwa Cotton Spinning Mills Ltd., Ldh	NIL	No
9	Sh. Rajinder Kalsi (Sr. DY.G.M. (Export)	3158203	Regular	B.Tech 37 Years	16.11.1992	63	Maral Overseas Ltd., Indore	NIL	No
10	Sh. Sukhdev Singh (General Manager)	3113397	Regular	Diploma in Textile Chemistry 45 Years	29.05.1993	66	Punjab Wool Combers, Ldh.	NIL	No

For and on behalf of the Board of Directors**Jawahar Lal Oswal
(Chairman)
Din: 00463866****Place: Ludhiana
Dated: 31st July, 2025**

**Annexure-IV****PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY****a. Measures taken for conservation of energy**

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

- i. The Company is committed to reduce Carbon footprints by engaging various sustainability efforts. One of the steps towards this direction is making use of Solar Panels in its Spinning Units. The Company has already installed Roof Top Solar Plant at its spinning units at Village Lalru and Lehli, Distt. S.A.S. Nagar, Village Jitwal Kalan, Distt. Sangrur, Village Jodhan, Distt. Ludhiana and Village Simrai, Mandideep, Distt. Raisen (M.P.). During the year 2024-25 Company has expanded its Solar power capacity by 5.81 M.W with an investment of Rs. 14.50 Crores, which increased Company's total solar power capacity from 8.66 M.W. to 14.47 M.W. During the year 2024-25, Company's energy usage from renewable sources is around 34% of total energy used.

Further, the Company is in the process of increasing its solar Power capacity by 11.00 M.W. with an investment of Rs. 25.00 Crores. After completion of the said project, Company's total roof top plant capacity will stand increased to 25.47 M.W. These Roof Top Solar Plants are generating clean & green energy and saving environment too. This has also resulted in saving of electricity cost to the company.

- ii. The Company is replacing old machines with ultra-modern machines at a cost of Rs. 325 Crores at its spinning units. These modern machines help in lowering the power consumption and thus saving energy.
- iii. The Company has been identified as Designated Consumer (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. The company had achieved the targets set under the PAT scheme and two units have been awarded Energy Saving Certificates (EScerts). Since the Company is in PAT Cycle 7 and M&V audit done by Bureau of Energy Efficiency for the year 2024-25. The

company is expecting to be EScerts Positive once again.

- iv. The Company is getting Unity Power Factor with counter balancing by APFC Panel and getting rebate in Power Bill as well as reducing the line losses.
- v. The Company has installed Zero Liquid Discharge Plant at its spinning unit at Village Simrai, Mandideep, Distt. Raisen (M.P.) and modified STP's at its spinning units at Village Lalru and Lehli, Distt. S.A.S. Nagar and Nahar Fibres, Jitwal Kalan, Malerkotla, Distt. Sangur. The treated water used in the Company's spinning units for humidification, gardening & flushing etc.
- vi. The Company has installed digital flow meter in every bore well and taps are being checked on routine basis. In case any leakage is found, actions are taken immediately. The company has installed pizo meter to keep check on the ground water. The company has also taken initiatives to recharge rain water and installed rain water recharging pits in all of its units and has thus saved water as well as energy by improving ground water table.
- vii. The Company has replaced all its lighting system with LED lighting and using electrical equipments with higher energy ratings and also replaced number of conventional motors starters with VFDs under energy saving projects.
- viii. The company has upgraded waste collection system and yarn conditioning plant which will lead to extensive power saving at company's spinning units.
- ix. The Company is continuously monitoring Compressed air Consumption by redeeming Leakage of Machinery. Thus, the company has been able to reduce compressed air per spindle drastically.
- x. The company regularly provides training to its workers towards Energy saving practices at our dedicated training center called Manav Vikas Kendra. This training provides guidance to the workers i.e. how to save energy in the plant as well as daily life at home.

b. Steps taken for utilizing alternate sources of energy

The Company is committed to reduce Carbon footprints by engaging various sustainability efforts. One of the steps towards this direction is making use of Solar Panels in its Spinning Units. The Company has already installed Roof Top Solar Plant at its



spinning units at Village Lalru and Lehli, Distt. S.A.S.Nagar, Village Jitwal Kalan, Distt. Sangrur, Village Jodhan, Distt. Ludhiana and Village Simrai, Mandideep, Distt. Raisen(M.P.). During the year 2024-25 Company has expanded its Solar power capacity by 5.81 M.W with an investment of Rs. 14.50 Crores, which increase Company's total solar power capacity from 8.66 M.W. to 14.47 M.W. During the year 2024-25, Company's energy usage from renewable sources is around 34% of total energy used.

Further, the Company is in the process of increasing its solar Power capacity by 11.00 M.W. with an investment of Rs. 25.00 Crores. After completion of the said project, Company's total roof top plant capacity will stand increased to 25.47 M.W. These Roof Top Solar Plants are generating clean & green energy and saving environment too. This has also resulted in saving of electricity cost to the company.

c. Capital Investment on energy conservation equipments

The Company continues to make Capital Investment on energy conservation equipments.

B. TECHNOLOGY ABSORPTION

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

• Efforts made towards Technology Absorption

1. The Company has installed Ultra-Modern machineries in all the Company's Spinning Units.
2. The Company has adopted the new technology of Airjet Spinning and successfully producing yarn at 98% efficiency at lower energy consumption.

• Benefits derived

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

• Information regarding Technology imported during the last three years:

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

• Expenditure on R & D

The R&D efforts in the company are focused not only on productivity, quality improvement with waste reduction but also developing value added products like Compact Yarn, Multi Slub yarn, Injected Slub Yarn, Duel Slub Yarn, Vario SIRO Yarn, Multi Count & Multi Twist yarn, 100% organic cotton, 100% Organic – In conversion cotton & organic cotton, Blends, Recycle cotton blends, BCI cotton, Regenagri Cotton, 100% Polyester Virgin & recycled Ring Spun Yarn, Polyester, cotton blends, Recycle Polyester blends Zero Twist yarn and Melange Yarn in different shades for Overseas & Domestic markets. The company has the latest on line & off line testing and monitoring equipments to maintain the consistency of raw material as well as finished products. The Company has been able to procure improved quality of raw material through R & D monitoring and achieve quality standards of the yarns.

• Future Plans

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

	(Rs in lakhs)	
	Current Year	Previous Year
(II) Total Foreign Exchange used and earned		
a) Earning (FOB value of Exports etc.)	144769.45	161331.72
b) Outgo (CIF value of Imports, expenditure in foreign currency and other payments)	13317.67	5162.22

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 31st July, 2025

Jawahar Lal Oswal
(Chairman)
Din: 00463866

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

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

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

We are pleased to inform that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its Independence in Governance and Management of the Company. As on March 31, 2025, the strength of the Board is Ten Directors. Sh. Dinesh Oswal (DIN: 00607290) is Managing Director of the Company and Sh. Jawahar Lal Oswal (DIN: 00463866) is Non-Executive Chairman and is one of the promoters of the Company. Accordingly, the Company's Board

consists of five Independent Directors namely; Dr. Vijay Asdhir (DIN: 06671174), Dr. Roshan Lal Behl (DIN: 06443747), Dr. Yash Paul Sachdeva (DIN: 02012337), Dr. Anchal Kumar Jain (DIN: 09546925) and Dr. Manisha Gupta (DIN: 06910242), a Woman Independent Director. Sh. Kamal Oswal (DIN: 00493213), Sh. Dinesh Gogna (DIN: 00498670) and Sh. S.K. Sharma (DIN: 00402712) are other Non-Executive Directors of the Company. Thus, the Company is in the compliance with the Regulation 17(b) of SEBI (LODR) Regulations, 2015 in respect of the Board Composition.

b. Board Meetings held and dates on which held:

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with Listing Regulations, every Company is required to hold minimum four number of Board Meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings. We are pleased to report that the Company held four Board Meetings during the year i.e. on 29th May, 2024, 12th August, 2024, 12th November, 2024 and 3rd February, 2025 with a clearly defined agenda and has thus complied with the said provisions of the Act. The agenda alongwith the explanatory notes are circulated to the directors well in advance. Every Board member can suggest the inclusion of additional items in the agenda. All the Directors strive to be present at the Board Meetings.

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

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting held on Wednesday, September 25, 2024 and the number of directorship and committee chairmanships/memberships held by them in other public companies as on 31st March, 2025 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanship/membership of Board Committees shall include only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1)(b) of Listing Regulations:



Name of Directors	Category of Directors	No. of Directorship in other Public Companies	No. of Committee position held in other Public Companies		No. of Board Meetings attended	AGM Attendance	No. of Shares Held	Directorship in other Listed Entities	
			Member	Chairman				Name	Category
Sh. Jawahar Lal Oswal	Non Executive, Promoter	8	*	*	4	NO	90374	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Monte Carlo Fashions Ltd.	Director
Sh. Dinesh Oswal	Executive, Promoter	6	*	*	4	YES	123766	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd.	Director
Sh. Kamal Oswal	Non Executive, Promoter	7	1	*	4	NO	24750	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Oswal Leasing Ltd.	Director
Sh. Dinesh Gogna	Non Executive	8	7	2	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Monte Carlo Fashions Ltd. e) Oswal Leasing Ltd.	Director
Sh. S.K. Sharma	Non Executive	2	2	*	4	YES	16987	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Ltd.	Director
Dr. Manisha Gupta	Independent	6	7	2	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Ltd. c) Nahar Industrial Enterprises Ltd. d) Oswal Leasing Ltd.	Independent Director
Dr. Vijay Asdhir	Independent	1	2	1	4	YES	NIL	a) Nahar Capital and Financial Services Ltd.	Independent Director
Dr. Roshan Lal Behl	Independent	7	9	5	4	YES	27	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Ltd. c) Monte Carlo Fashion Ltd. d) Oswal Leasing Ltd. e) Nahar Poly Films Ltd.	Independent Director
Dr. Yash Paul Sachdeva	Independent	3	1	1	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Ltd. c) Monte Carlo Fashion Ltd.	Independent Director
Dr. Anchal Kumar Jain	Independent	3	1	*	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Industrial Enterprises Ltd. c) Monte Carlo Fashion Ltd.	Independent Director

Note:-*Membership includes Chairmanship.

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

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2025, is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and is Director of more than ten

public limited companies as prescribed under the Companies Act, 2013. Further, as per Regulation 17(A) of SEBI LODR (Amendment) Regulations, 2018 mandate that a person does not act as Director of more than seven listed entities and an independent director of more than seven listed entities.

None of the director is a member of more than Ten (10) Board level Committees or is Chairperson of



more than Five (5) such Board level Committees as required under Regulation 26(1) of SEBI (LODR) Regulations, 2015.

e. Disclosure of relationships between directors inter-se:

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

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

Sh. Jawahar Lal Oswal who is Chairman and Non-Executive Promoter Director of the Company is holding 90374 equity shares of Rs. 5/- each of the Company. Sh. Dinesh Oswal, who is Managing Director of the Company, is also holding 123766 equity shares of Rs. 5/- each of the Company. Sh. Kamal Oswal, who is Non-Executive Promoter Director, is holding 24750 equity shares of Rs. 5/- each of the Company. Sh. S.K. Sharma, who is Non-Executive Director, is holding 16987 equity shares of Rs. 5/- each of the Company. Likewise, Dr. Roshan Lal Behl, who is an Independent Director, is also holding 27 equity shares of Rs. 5/- each of the Company.

g. Web link of Familiarization Programs:

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

h. Board-skills/expertise/competencies:

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

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

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

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

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

Based on the annual confirmations/declarations received from the Independent Directors in terms of Regulation 25(9) of the SEBI (LODR) Regulations, 2015, the Board is of the opinion that the Independent Directors fulfill the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and they are independent of the management. All the Independent Directors have confirmed that they are in compliance with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

j. Resignation of an Independent Director:

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

k. Separate Meeting of Independent Directors:

As per the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold atleast one meeting in a year without the attendance of Non Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on 11th November, 2024 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the



Meeting, they –

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

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

III. BOARD COMMITTEES

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

1. Audit Committee

a. Brief Description of Terms of Reference:

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

b. Composition:

The Audit Committee comprises of three Directors under the chairmanship of Dr. Vijay Asdhir, who is an Independent Director. Sh. Dinesh Gogna, Non Executive Director and Dr. Roshan Lal Behl, Independent Director are the other two members of the Audit Committee as on 31st March, 2025. There is no change in the composition of the Committee during the year under review.

Dr. Vijay Asdhir is M.Com, Ph.D. having more than 38 years experience in Teaching Business and Administration. He retired as Head of Commerce Department (Post Graduate), Government College, Ludhiana. Accordingly, Dr. Vijay Asdhir is financially literate and has required accounting and financial management related expertise. Dr. Roshan Lal Behl is M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies) and is having more than 39 years of

experience in Teaching and Administration. He retired as principle of Aurbindo College of Commerce, Ludhiana. Likewise, Sh. Dinesh Gogna is having more than 47 years of experience in corporate Finance, Taxation, Financial and Accounting matters. Mr. Brij Sharma is the Secretary of the Committee. Mr. Anil Garg who is the Chief Financial Officer is a permanent invitee of the Committee. The Statutory Auditors and Internal Auditors are also invited to attend the meetings as and when felt necessary and as per relevant provisions of the applicable laws/rules.

The Primary objective of Audit Committee is to monitor and provide an effective supervision on the Management financial reporting process, to ensure timely and accurate disclosure. Besides, the committee also oversees the work of internal and statutory auditors. Dr. Vijay Asdhir, Chairman of the Audit Committee attended the previous AGM of the Company held on September 25, 2024.

c. Meetings and Attendance:

During the financial year 2024-25, the Committee met four times i.e. on 29th May, 2024, 12th August, 2024, 12th November, 2024 and 3rd February, 2025, for reviewing and adopting the quarterly un-audited/audited financial results as well as the financial statements before recommending the same to the Board of Directors for their perusal and adoption.

The attendance record of the Audit Committee Members at the Meetings held during the year 2024-

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	4
Sh. Dinesh Gogna	4	4
Dr. Roshan Lal Behl	4	4

2. NOMINATION AND REMUNERATION COMMITTEE

a. Brief Description of Terms of Reference:

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



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

b. Composition:

The Nomination and Remuneration Committee comprises of three Independent Directors namely; Dr. Yash Paul Sachdeva as the Chairman, Dr. (Mrs.) Manisha Gupta and Dr. Roshan Lal Behl as the members of the Committee as on 31st March, 2025. There is no change in the composition of the Committee during the year under review. Dr. Yash Paul Sachdeva, Chairman of the Nomination and Remuneration Committee attended the previous AGM of the Company held on September 25, 2024.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met two times during the year i.e. on 29th May, 2024, 12th August, 2024. The attendance record of the members at the meetings held during the year 2024-25 is as under:

Name of member	No. of Meetings Held	No. of Meetings Attended
Dr. Roshan Lal Behl	2	2
Dr. Manisha Gupta	2	2
Dr. Yash Paul Sachdeva	2	2

d. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, ability to communicate effectively with other board members and management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

e. SENIOR MANAGEMENT

Particulars of Key Managerial Personnel and Senior Management Personnel given hereunder:

Name of Key Managerial Personnel	Category
Mr. Dinesh Oswal	Managing Director
Mr. Anil Garg	Chief Financial Officer
Mr. Brij Sharma	Company Secretary

Name of Senior Management	Category
Mr. Komal Jain	Chief Executive Officer
Mr. Prem Kishore Vashishth	General Manager (Finance)
Mr. Anil Anand	General Manager(Export)
Mr. Ashwani Kumar Aggarwal	General Manager (Export)
Mr. Mukesh Rustagi	Chief Executive Officer, spinning units, at village JitwalKalan and at village Jodhan
Mr. Suresh Puri	General Manager, spinning unit, at village Lalru and Lehli (Punjab)
Mr. S.k. Bhatt	General Manager, spinning unit, Mandideep (M.P.)
Mr. Sohinder Singh	President(Marketing)
Mr. Anil Sharma	Vice President (Personnel)
Mr. Rajneesh Kumar Jain	Vice President (IT)

f. REMUNERATION OF DIRECTORS
i. Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the Members vide their special resolution dated 25th September, 2024 approved the payment @0.50% of Export Sales of the Company to Sh. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company w.e.f. 1st October, 2024 to 30th September, 2027.

ii. Criteria of making payment to non-executive directors:

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The details of sitting fee paid to Non-Executive Directors during the year 2024-25 is as follows:

Name of Director	Sitting Fees (Rs.)
*Sh. Jawahar Lal Oswal	95591680.00
Sh. Kamal Oswal	40000
Sh. Dinesh Gogna	40000
Sh. S.K. Sharma	40000
Dr. Vijay Asdhir	40000
Dr. (Mrs.) Manisha Gupta	40000
Dr. Roshan Lal Behl	40000
Dr. Yash Paul Sachdeva	40000
Dr. Anchal Kumar Jain	40000
Total	95911680.00

**It also includes the amount of fee paid as per the shareholders' approval vide their special resolution dated 25th September, 2024.*

iii. Disclosures with respect to remuneration:

The non-executive directors of the Company are being paid sitting fee for attending the Board Meeting. Sh. Dinesh Oswal, being the Managing Director of the Company has been paid remuneration as per shareholders' approval vide special resolution dated 29th September, 2021 and 25th September, 2024



under Section 197 read with Schedule V of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 for five years from 1st January, 2022 upto 31st December, 2026. The disclosure in respect of remuneration paid to Sh. Dinesh Oswal is as detailed below:

iv. Elements of remuneration package

The elements of remuneration package paid to Sh. Dinesh Oswal, Managing Director of the Company, during the year 2024-25 is as follows:

Name of Director	Salary & Perks	Commission	Benefits	Bonuses	Stock Option	Pension	Total
Sh. Dinesh Oswal	1586,44,004.00	-	-	-	-	-	*1586,44,004.00

**Note: Sh. Dinesh Oswal, Managing Director, has been paid remuneration from 1st April 2024 to 31st March, 2025, as per shareholders' approval vide their Special Resolution dated 29th September, 2021 and 25th September, 2024 under Section 197 read with Schedule V of the Companies Act, 2013.*

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

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

vi. Service contracts, notice period, severance fees;

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

vii. Stock option details:

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

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Brief Description of Terms of Reference:

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

and Company in maintaining healthier relationship with all stakeholders.

b. Composition:

The Stakeholders' Relationship Committee comprises of three Non-Executive Directors under the Chairmanship of Dr. Vijay Asdhir an Independent Director. Dr. Anchal Kumar Jain, Independent Director and Sh. S.K. Sharma, a Non-Executive Director are the other two members of the Committee as on 31st March, 2025. There is no change in the composition of the Committee during the year under review. Dr. Vijay Asdhir, Chairman of the Stakeholders' Relationship Committee attended the previous AGM of the Company held on September 25, 2024.

c. Meetings and Attendance

The Committee met four times i.e. on 29th May, 2024, 12th August, 2024, 12th November, 2024 and 3rd February, 2025 during the year under review. The attendance record of the members at the meetings held during the year 2024-25 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	4
Sh. S.K. Sharma	4	4
Dr. Anchal Kumar Jain	4	4

d. Name and Designation of Compliance Officer

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

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

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

No. of complaints received during the financial year	: FIFTEEN
No. of complaints resolved during the financial year	: FIFTEEN
No. of complaints not solved to the satisfaction of shareholders	: NIL
No. of complaints pending as on 31st March, 2025	: NIL

f. Dedicated e-mail for Investor Grievance

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



4. RISK MANAGEMENT COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015, the Board has constituted a Risk Management Committee to frame, implement and monitor the risk management plans for the company. The Risk Management framework includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

b. Composition:

The Risk Management Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal, Managing Director of the Company. Dr. Anchal Kumar Jain and Dr. Roshan Lal Behl, Independent Directors are the other two members of the Committee as on 31st March, 2025. There is no change in the composition of the Committee during the year under review.

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

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

c. Meetings and Attendance

The Risk Management Committee met two times during the year i.e. 5th April, 2024 and 28th October, 2024. The gap between two consecutive meetings was not more than 210 days as stipulated under the Listing Regulations. The attendance record of the members at the meetings held during the year 2024-25 is as under:

Name of member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	2	2
Dr. Roshan Lal Behl	2	2
Dr. Anchal Kumar Jain	2	2

5. OTHER COMMITTEES

1. SHARE TRANSFER COMMITTEE

The Company has also constituted a Share Transfer Committee comprising of 4 (four) members under the Chairmanship of Sh. Dinesh Oswal, Managing Director of the Company. Sh. Dinesh Gogna and Sh. S.K. Sharma, Non-Executive Directors of the Company and Sh. Brij Sharma, Company Secretary of the Company, are the members of the Committee. There is no change in the composition of the Committee during the year under review. The Committee is responsible for approving the transfer, transmission, transposition of securities, dematerialization of shares, issuance of duplicate share certificates and other shareholders related issues. The Committee met twenty four times during the year under review i.e. 18th April, 2024, 30th April, 2024, 15th May, 2024, 31st May, 2024, 15th June, 2024, 29th June, 2024, 15th July, 2024, 31st July, 2024, 16th August, 2024, 30th August, 2024, 18th September, 2024, 30th September, 2024, 15th October, 2024, 30th October, 2024, 15th November, 2024, 30th November, 2024, 16th December, 2024, 31st December, 2024, 15th January, 2025, 31st January, 2025, 15th February, 2025, 28th February, 2025, 15th March, 2025 and 31st March, 2025 and the attendance record of the members at the meetings held during the year 2024-25 is as under:-

Name of member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	24	24
Sh. Dinesh Gogna	24	24
Sh. S.K. Sharma	24	24
Sh. Brij Sharma	24	24

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

The Shareholders can claim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. Concerned members/investors are advised to access the web link: <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html> for filing e-Form IEPF-5 for refund of shares and/or dividend from the IEPF Authority.



As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002; the Company has appointed M/s. Alankit Assignments Ltd, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, Demat, Remat, Change of Address etc. to our Registrar, whose address and telephone no etc. has already been mentioned in Director's Report.

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. Brief Description of Terms of Reference:

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

b. Composition

The CSR Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal, Managing Director of the Company. Dr. Yash Paul Sachdeva, Independent Director and Sh. Dinesh Gogna, Non-Executive Director, are the other two members of the Committee. There is no change in the composition of the Committee during the year under review.

c. Meetings and Attendance

During the year under review, the Committee met three times i.e. on 10th April, 2024, 12th August, 2024 and 1st February, 2025. The attendance record of the members at the meeting held during the year 2024-25 is as under:-

Name of Member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	3	3
Sh. Dinesh Gogna	3	3
Dr. Yash Paul Sachdeva	3	3

The CSR report, as required under the Companies (Corporate Social Responsibility Policy) Rules,

2014, as amended for the financial year ended 31st March, 2025 is attached as 'Annexure I' to the Directors' Report.

IV. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2021-2022	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	24.08.2022	10.00 A.M.
2022-2023	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	25.09.2023	10.00 A.M.
2023-2024	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	25.09.2024	10.00 A.M.

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

2021-22

- To appoint Dr. Yash Paul Sachdeva (DIN: 02012337), as an Independent Director of the company.
- To appoint Dr. Anchal Kumar Jain (DIN: 09546925), as an Independent Director of the company.
- To re-appoint Dr. Vijay Asdhir (DIN: 06671174), as an Independent Director of the company.
- To re-appoint Dr. Manisha Gupta (DIN: 06910242), as an Independent Director.
- To approve the payment to Sh. Jawahar Lal Oswal, Non-Executive Director of the company under regulation 17(6) (ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- To approve payment of remuneration to Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2022-23

- To approve increase in the fee payable to Sh. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the company.
- To approve increase in Borrowing Limit of the Company.
- To create charges/mortgages on the assets of the company for securing the loan availed/to be availed by the company.

2023-24

- To approve the payment of Advisory fee to Sh. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the company
- To approve the payment of Minimum Remuneration to Sh. Dinesh Oswal, Managing Director in case of no profits or inadequacy of profits.



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

No Special Resolution was passed during the financial year ended 31.03.2025 through postal ballot.

d. Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31.03.2025 through postal ballot.

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

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

f. Procedure for postal ballot.

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

V. MEANS OF COMMUNICATION

a. Quarterly Results:

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

b. Newspapers wherein results normally published:

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

c. Any website, where displayed:

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

d. Whether it also displays official news releases

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

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

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

VI. GENERAL SHAREHOLDERS INFORMATION

a. Annual General Meeting

Date	: 25 th September, 2025
Day	: Thursday
Time	: 10.00 A.M
Venue	: The Company is conducting the Meeting through Video Conferencing/Other Audio Visual Means as permitted by Ministry of Corporate Affairs. Hence, the venue of the Meeting shall be deemed to be the registered office of the Company. For details please refer to the Notice of this AGM.

b. Financial Year

Financial year of the Company comprises of twelve months i.e. 1st April, 2024 to 31st March, 2025

c. Dividend Payment

On or before 5th October, 2025

d. Date of Book Closure:

6th September, 2025 to 10th September, 2025 (both days inclusive)

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

The National Stock Exchange of India Ltd (NSE) Exchange Plaza", Plot No. C/1 G-Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051	The BSE Limited (BSE) 25 th Floor, P. J. Towers, Dalal Street, Fort Mumbai – 400 001.
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The listing fees payable to BSE and NSE for 2025-26 have been paid in full by the Company.

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

The annual custodian fees for the financial year 2025-26 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

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

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

h. Registrar to an issue and Share Transfer Agents

As per SEBI Circular No. D&CC/FITTC/CIR15/2002 dated 27th December, 2002; the Company has appointed M/s Alankit Assignments Ltd. New Delhi, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the Shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of



Share Transfer/Transmission, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone nos. etc. have already been mentioned in the Directors' Report.

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

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

i. Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities can be effected only in dematerialized form. All requests for transfer and/or dematerialized of securities held in physical form, should be lodged with Company's Registrar and Transfer Agent for dematerialization.

Further, pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, transmission, transposition, etc. After processing the service request, a letter of confirmation shall be issued which shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. In case of failure to make such request, those shares shall be credited in the 'Suspense Escrow Demat Account'. Shareholders can claim these shares transferred to 'Suspense Escrow Demat Account' on submission of necessary documentation.

To approve transfer, transmission, transposition, issue of duplicate share certificates, change of name etc., the Company has constituted a Share Transfer Committee consisting of four members, namely Sh. Dinesh Oswal, Managing Director, Sh. Dinesh Gogna, Sh. S.K. Sharma, Non-Executive Directors and Mr. Brij Sharma, Company Secretary of the Company. Share Transfer Committee meets once/twice in a month to approve the above transactions as per the procedure prescribed under the Companies Act, 2013 / Listing Regulations.

j. Special Window for re-lodgement of transfer requests:

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, opened a

one-time special window from July 07, 2025 to January 06, 2026 for physical shareholders, where the original share transfer requests were lodged prior to April 01, 2019 and were returned or rejected due to deficiencies in documentation, process or any other reason, to submit re-lodgement requests. The shares re-lodged for transfer will be processed only in dematerialized form during this window. Eligible shareholders may submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Ltd. 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period.

k. Distribution of Shareholding

As on 31st March, 2025, your Company had 29131 shareholders having a total of 3,60,65,303 Equity Shares. The following is the distribution of Shareholding:

No. of Shares Held	No. of holders	Percentage of Shareholders	Aggregate shares held	Percentage of Shareholding
1-500	26590	91.28	2935551	8.14
501-1000	1391	4.78	1051829	2.92
1001-2000	613	2.10	892706	2.48
2001-3000	207	0.71	521759	1.45
3001-4000	90	0.31	323383	0.90
4001-5000	58	0.20	271153	0.75
5001-10000	104	0.36	789049	2.19
10001 and above	78	0.27	29279873	81.19
Total	29131	100.00	36065303	100.00

l. Shareholding Pattern as on March 31, 2025

Shares held by	No. of Shares	Percentage of Shareholding
Banks and Mutual Funds	212114	0.59
Foreign holdings (FIIs, NRIs, OCBs)	183299	0.51
Trust	190	0.00
Bodies Corporate	290224	0.80
Directors/Relatives of Directors	37757	0.10
General Public	9852448	27.32
HUF	495922	1.38
*Promoter	24317690	67.43
Shares Transferred to IEPF	675530	1.87
Unclaimed or Suspense or Escrow Account	129	0.00
Total	3,60,65,303	100.00

**20000 Equity Shares of the company were purchased by Nahar Capital and Financial Services Limited, (Promoter Group Company) on 28.03.2025 through Open Market and the delivery of said shares was credited to their DEMAT account No. IN30133019970279 with Stock Holding Corporation Limited on 02.04.2025. The Intimation for the same has given to Stock Exchanges on dated 31.03.2025*

m. Dematerialisation of Shares and Liquidity

As on 31st March, 2025, 3,55,98,237 comprising 98.70% of the total Equity Capital of the Company



has been dematerialized. Equity Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories.

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

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

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

o. Commodity price risk or foreign exchange risk and hedging activities

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

p. Plant Locations:

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

q. Address for correspondence:

"NAHAR TOWER"
373, Industrial Area-A,
Ludhiana-141003 (Pb.)
Phone No : 0161-2600701
Fax No. : 0161-2222942
E-mail address: secnsm@owmnahar.com
Website : www.owmnahar.com

r. Credit Ratings:

We would like to inform you that, the Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/351154/BLR/0824/96450 dated August 27, 2024 has intimated company's rating outlook on the long term bank facilities 'CRISIL A/Negative' (Reaffirmed). The rating on short-term bank facility has been reaffirmed at 'CRISIL A1'.

s. KYC Updation:

Pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, the Company has dispatched reminder letters to the physical shareholders of the Company in June, 2025 for mandatory furnishing/ updating of PAN, KYC details and Nomination by holders of physical securities in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14. SEBI has also mandated that the dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. All the shareholders are requested to kindly update their KYC detail and forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055 at the earliest in order to avoid any delay in receipt of dividend. The aforesaid forms can be downloaded from the website of the Company at: http://www.owmnahar.com/spinning/kyc_updation.php

VII. OTHER DISCLOSURES

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

During the year, there are no material Related Party Transactions (RPT) made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a



potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement / transactions with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI (LODR) Regulations, 2015. However, the normal sale and purchase transactions which take place in the ordinary course of business on Arm's length basis with the Group Companies are disclosed in the Notes to the Financial Statements as per applicable provisions.

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

The Company continues to comply with the regulations of Stock Exchanges, SEBI or any statutory authority on all matters related to capital market during last three years. No penalty or strictures have been imposed on the Company by the said authorities relating to the above.

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

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, has established a Whistle Blower Policy/Vigil Mechanism for its directors and employees to report genuine concerns or grievances about the unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The Policy also enables the adequate safeguards against victimization of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at https://www.ownnahar.com/spinning/pdf/vigil_mechanism_25.pdf

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

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

SEBI (LODR) Regulations, 2015 as detailed below:

- i. **Un-modified opinion(s) in audit report:** The Company is already in a regime of financial statements with un-modified audit opinion.
- ii. **Separate post of Chairperson and the Managing Director:** Sh. Jawahar Lal Oswal (DIN: 00463866) is the Chairman of the Company and Sh. Dinesh Oswal (DIN: 00607290) is Managing Director of the Company. Thus, the post of Chairman and Managing Director are held by different persons.
- iii. **Reporting of internal auditor:** The internal auditor may report directly to the Audit Committee.
- iv. **Independent Woman Director:** The Company has already appointed Dr. Manisha Gupta (DIN: 06910242), as an Independent Woman Director on its Board.
- v. **Risk Management:** The Company has already constituted the Risk Management Committee with the composition, roles and responsibilities as specified in Regulation 21 of Listing Regulations.

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

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

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

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

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at <https://www.ownnahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2025.pdf>

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

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



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

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

9. Certification from Company Secretary in Practice:

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

10. Recommendation of Committees:

In the financial year 2024-25 the Board has accepted all recommendations of its Committees.

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

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

12. Fees paid to Statutory Auditors:

During the year company paid an Audit fees of Rs. 17,85,000.00/- and out of Pocket Expenses of Rs. 9060.00/- to Statutory Auditors.

13. Dividend Distribution Policy:

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has adopted the Dividend Distribution Policy setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy is available on the website of the Company. The policy is available at company's website and can be accessed at https://www.ownahar.com/spinning/pdf/dividend_distribution.pdf

14. Business Responsibility and Sustainability Report:

Business Responsibility and Sustainability Report for the year ended 31st March, 2025 mentioning therein the initiatives taken by the company from an

Environmental, Social and Governance (ESG) perspective in the format as specified by the SEBI under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been uploaded on Company's website at: <https://www.ownahar.com/spinning/pdf/BRSR-2024-25.pdf>

15. Insurance Policy For Directors and Officers

As per Regulation 25 (10) of Listing Regulations, top 1000 listed entities are required to undertake Director and Officer Insurance Policy. We would like to inform you that for ensuring good Corporate governance and also to comply with the regulation of SEBI (LODR) Regulations, 2015 company has already taken Directors and Officers insurance ('D and O insurance') Policy.

16. Prevention of Insider Trading:

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

17. Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, every issuer company shall submit audit report on a quarterly basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and the in-principle approval obtained by the issuer from all the stock exchanges where it is listed in respect of such further issued capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of



the end of each quarter.

18. CEO and CFO Certification

As required under Regulation 17(8) of SEBI (LODR) Regulations, 2015, a Certificate duly signed by the Managing Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 28.05.2025.

19. Disclosure of Loans And Advances:

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

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

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

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

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

X. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i.e. www.ownnahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Managing Director/CEO in terms of SEBI (LODR) Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed

compliance with this Code of Conduct is attached with this Report.

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

All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account. However, in compliance of SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, the Company has opened a 'Suspense Escrow Demat Account' for crediting the shares where the shareholder fails to submit the demat request to the Depository Participant within a period of 120 days from the date of issuance of letter of confirmation. Shareholders can claim these shares transferred to 'Suspense Escrow Demat Account' on submission of necessary documentation. The detail of the shares in 'Suspense Escrow Demat Account' as on March 31, 2025 is given here under:

Particulars	No. of Shareholders	No. of Shares
a. Aggregate number of shareholders and the outstanding shares in the Suspense Escrow Demat Account lying as on April 1, 2024	3	468
b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	1	339
c. Number of shareholders to whom shares were transferred from suspense account during the year	1	339
d. Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2025	2	129
e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Nil	Nil

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

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

For and on behalf of the Board of Directors

**Place: Ludhiana
Dated: 31st July, 2025**

**Jawahar Lal Oswal
(Chairman)
Din: 00463866**

**MANAGING DIRECTOR'S DECLARATION**

Pursuant to the requirement of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management Personnel of the Company (as defined in the above said Regulations) have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel' for the year ended 31st March, 2025.

Place: Ludhiana
Dated: 31st July, 2025

Dinesh Oswal
(Managing Director)
(DIN: 00607290)

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

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

To
The Members
Nahar Spinning Mills Limited
Ludhiana

I have examined the relevant records of **M/s NAHAR SPINNING MILLS LTD** having CIN **L17115PB1980PLC004341** for the purpose of certifying compliance of requirements in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of Securities and Exchange Board of India (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 ten 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. Jawahar Lal Oswal	00463866	30/09/1992
2.	Mr. Dinesh Oswal	00607290	21/05/1985
3.	Mr. Kamal Oswal	00493213	30/09/1991
4.	Mr. Dinesh Gogna	00498670	21/05/1985
5.	Mr. Satish Kumar Sharma	00402712	15/01/2007
6.	Mr. Vijay Asdhir	06671174	26/09/2017
7.	Ms. Manisha Gupta	06910242	26/09/2017
8.	Mr. Roshan Lal Behl	06443747	29/09/2020
9.	Mr. Yash Paul Sachdeva	02012337	24/08/2022
10.	Mr. Anchal Kumar Jain	09546925	24/08/2022

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

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

For P.S. Bathla & Associates
Company Secretaries

Place: Ludhiana
Dated: 31st July, 2025
UDIN: F004391G000910835

P.S. Bathla
(Proprietor)
FCS: 4391/CP No. 2585
Peer Review No. 1306/2021

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

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

To
The Members,
Nahar Spinning Mills Limited,
Ludhiana

We have examined the compliance of the conditions of Corporate Governance by **M/s NAHAR SPINNING MILLS LIMITED** (CIN: L17115PB1980PLC004341) for the year ended 31st March, 2025 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

**Place: Ludhiana
Dated: 31st July, 2025
UDIN: F004391G000910857**

**P.S. Bathla
(Proprietor)
FCS: 4391/CP No. 2585
Peer Review No. 1306/2021**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annexure-VI**ECONOMIC SCENARIO**

The Prevailing Geo political uncertainties, ongoing conflict between Ukraine & Russia, strained relation among several countries and inflationary pressure, have impacted the economies of the World. The imposition of Tariff plus Penalty by the United States, on exports of several countries has impacted Global Trade and World Economies are going to witness a downward trend. As per World Economic Outlook (issue April, 2025), Global Growth is projected to drop to 3 percent in 2026. In spite of several Global Challenges, India, world's fourth largest Economy, has emerged as the fastest growing economy, projected to grow at 6.50 % for FY 2026 (as per RBI). PM vision of Atmanirbhar Bharat has promoted Innovation, Entrepreneurship and New Technology, which will help Indian Economy to grow at a faster rate in comparison to the other large economies of the world, which are facing difficult times. India is on the track to become the Third largest economy by 2030.

To put the Indian economy on the faster pace of growth and sustainability development, Government introduced several path breaking initiatives and policies in the area of Infrastructure, Social Welfare and Health Care sector to support the economic activities.

Moreover, India has already Signed Free Trade Agreement (FTAs) or Comprehensive Economic Partnership Agreements (CEPAs) with several countries like United Kingdom, Sri Lanka, Nepal, Bhutan, Maldives, Thailand, Singapore, Malaysia, Japan, South Korea, Mauritius, United Arab Emirates (UAE), Australia, ASEAN bloc (10 nations under goods / services / investment FTA), which will help the country to boost its exports to these countries. The negotiation with the European Union, Canada and others are still going on and we are hopeful that agreement will be finalized shortly and will benefit the Indian Economy to grow at much faster rate.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Despite global uncertainties, India's textile and apparel sector demonstrated resilience and adaptability, maintaining competitiveness on a global scale. India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$100 billion by FY 2030.

The Textile Industry continues to play a dominant role in the economic growth of the country. Its importance is evident from the fact that it is the largest contributor towards employment generation employing 4.5 Crores

workers directly & indirectly, contributing 13% to Industrial Output and 12% to Export earnings. The textiles and apparel industry also contribute 2.3% to the country's GDP. The textile industry in India is projected to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade. The market for Indian textiles and apparel is projected to grow at Compound Annual Growth Rate (CAGR) of 10% to reach US\$ 350 billion by 2030. (Source: <https://www.ibef.org/industry/textiles>)

The Government is also conscious of the importance of the Textile Industry and has introduced several schemes to enhance textile production, boost investments and promote exports. The Union Budget announced an outlay of Rs. 5,272 Crores for the Ministry of Textiles for 2025-26. This is an increase of 19% over budget estimates of 2024-25 (Rs. 4,417.03 Crores) and will help the Textile industry favorably. Bharat Tex 2025, India's largest global textile event, was successfully organized from 12-15 February, 2025 at India Expo Centre and Mart, Greater Noida and from 14th to 17th February, 2025, at Bharat Mandapam, New Delhi. Bharat Tex 2025 served as a platform to accelerate the government's "Farm to Fibre, Fabric, Fashion and Foreign Markets" vision. The event demonstrated India's leadership in the textile sector and its commitment to innovation, sustainability and global collaboration.

We are hopeful that the Government through its monetary and other policy initiatives will also support the industry in their difficult times so that it could meet the challenges and emerge as a winner.

In line with the global trends and to remain competitive, your company is also going in for modernization of its spinning units at various locations, by adding ultra-modern machineries at a capital outlay of Rs. 325 Crores (approx.). The company is also putting up 11 M.W. Solar PV System at a capital outlay of Rs. 25 Crores, for its own consumption. This will help the company in improving quality as well as operational efficiencies and will enable the company to diversify and increase its exports to quality conscious markets of U.S. and European Union.

OPPORTUNITIES AND THREATS

The textile industry faces a mix of challenges as well as opportunities. The industry has the opportunity for growth through various Free Trade Agreement (FTAs) / Comprehensive Economic Partnership Agreements (CEPAs) with several countries which will help the country to increase its exports.

The rapid growth of retail sector and with the entry of



several international & domestic players like GAP, Mark & Spencer, Amazon, Reliance Retail etc. in the Indian markets is going to boost the domestic markets. Moreover, the growing consumerism and household income will also add to the fortunes of the textile industry.

Presently, China is a major exporting country to the World Economies and has 30% share of Global Textile Market. Because of strained relations between U.S. and China, importing buyers are interested in reducing their dependence on one country and they have started following 'China plus One' Policy. Thus, 'China plus One' is a Golden opportunity to the textile industry. India should capitalize on this opportunity and present itself as a credible alternative. India certainly has an edge to be an alternative manufacturing hub for global players as two major things required to run textile Industry are cotton and skilled work force and they are abundantly available in the country. The Government is also providing supportive environment to further enhance and modernize capabilities and establish India as a global Market Hub for International Buyers.

Though the future of textile is bright but the industry also faces some challenges too. The key challenge is the recently imposed Trade Tariff of 25% plus penalty by the U.S. on India's exports. This is going to affect country's exports of textile products to U.S. We hope that India will renegotiate the trade deal with the U.S. and the matter will be resolved in the coming periods. We feel that trade tariff is likely to act as short-term deterrent rather than a structural disruption in the Global Trade. To mitigate the impact of High Trade Tariffs industry must diversify into alternative export markets such as Latin America, Africa and South East Asia so that the negative impact on exports is nullified.

The other key challenge is to focus on the manufacturing excellence. The textile industry is a fragmented industry and is not spending required capital on R&D and ultra-modern machinery so that it can produce highly quality products and ensure cost effective production. The industry must make investment in product innovation and R&D which will help the industry to export its products to quality conscious markets of U.S. and European Union.

We are of the opinion that India continues to offer several advantages - availability of good quality raw cotton, skilled and cost effective manpower, stable policy environment, diverse textile offering which would continue to attract Global companies to shift their manufacturing base to India.

FUTURE OUTLOOK

The future of the Textile industry seems to be good. Though there are some short term set back in the form of

U.S. Tariffs of 25% plus penalty on India's export to U.S. which will make India's export costlier as compared to Bangladesh, Vietnam, and Indonesia etc. as they are having lower tariff on their exports. We are hopeful that things will settle shortly and industry will establish itself as a global manufacturing hub for the International buyers.

Besides, Free Trade Agreement (FTA)/Comprehensive Economic Partnership Agreements (CEPAs) with several countries which will play an important role in increasing the textile export to these countries. Your management is looking at the future with optimism and expects improvement in global scenario in coming periods, which will give relief to the Textile Industry. We expect that in this challenging period, Government will support the Spinning industry in the form of favorable Textile policies, incentives and other benefits which are of paramount importance for the future growth of the Industry.

RISK AND CONCERNS

No industry is free from normal business risk and concerns. Indian Textile Industry continues to face stiff competition from small countries like: Bangladesh, Taiwan, Vietnam and other emerging economies. The recently imposed Trade Tariff by the U.S.A on Indian exports is a serious setback for the Industry. This is going to affect India's exports of textile product to U.S. We hope that India will renegotiate the trade deal with the U.S.A and the matter will be resolved shortly. We feel that the trade tariff is likely to act as short-term deterrent rather than a structural disruption. The country must also diversify and increase its exports to other countries so that it can meet the challenges.

The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. Any significant increase in the prices of raw cotton will make things difficult for the Textile Industry resulting weak demand and thin margins. So availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.

The high rate of interest and electricity cost are affecting the financial performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short term in the form of working capital for its running. The Government must support the industry by providing finance at lower interest rates so that the industry remains financially viable. Likewise the government should also provide the



Electricity at concessional rate to the industry so that it can compete in the global markets.

The prevailing geo political situations coupled with Trade Tariff by U.S. has caused supply chain disturbance and has affected global trade. The future is still uncertain and no one knows where it will lead to us? Thus, your Company considers it a possible risk and concern to the Industry.

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has appointed M/s. Raj Gupta & Co., Chartered Accountants, as Internal Auditors of the Company. The company is also having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year under review, company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non Executive Directors has been constituted. All the significant audit observations and follow up Actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The

Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

SEGMENT WISE OR PRODUCT WISE FINANCIAL OPERATION AND PERFORMANCE

The Company is operating in single segment only i.e. Textile. In spite of prevailing Geo-Political situations and Global Challenges, your Company has been able to improve its performance during the year under review. The Company achieved a total income from operations of Rs. 3318.91 Crores showing an increase of 8.26% over the previous year. Likewise, the export at Rs. 1634.53 Crores has also shown an increase of 0.58% when compared with the previous year. The profitability of the Company has substantially improved and it earned EBITDA of Rs. 195.79 Crores as against of Rs. 99.11 Crores in the previous year. After providing depreciation of Rs. 95.22 Crores and finance cost of Rs. 74.20 Crores, company earned a profit of Rs. 26.37 Crores as against a loss in the previous year. After providing tax expense (including deferred tax charge) of Rs. 8.78 Crores and CSR expenses of Rs. 5.24 Crores, the net profit comes to Rs. 12.35 Crores.

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

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

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

The total permanent employee's strength of the Company was 10497 as on 31st March, 2025. The industrial relation continued to remain cordial during the year.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The SEBI (LODR) Regulations, 2015 has mandated that Company should provide detail of Significant Changes in Key Sector Financial ratios. We would like to inform you that in the following key financial ratios, there have been Significant Change as compared to the last year:



Particulars	Financial Year 2024-25	Financial Year 2023-24
INTEREST COVERAGE RATIO	1.22	0.90
NET PROFIT MARGIN RATIO	0.38	-1.67
RETURN ON CAPITAL EMPLOYED	0.03	0.00
RETURN ON EQUITY RATIO	0.01	-0.03
TRADE PAYABLE TURNOVER RATIO	81.55	43.50

The company has been able to put up reasonably good performance during the year under review. The Interest coverage ratio, Net Profit Margin Ratio, Return on Capital Employed and Return on Equity Ratio have improved due to better profitability as compared to the previous year. Likewise increase in Trade Payable Turnover Ratio is because of decrease in purchases.

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

CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

**Place: Ludhiana
Dated: 31st July, 2025**

**Jawahar Lal Oswal
(Chairman)
Din: 00463866**

***"Glimpse of CSR Project under 'Rural Development Project'
undertaken by Oswal Foundation in the year 2024-25"***





INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
NAHAR SPINNING MILLS LIMITED
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of Nahar Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate

opinion on these matters. There is no key matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance, if there is no material misstatement, we will not issue separate report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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



and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 34 the standalone financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in



- accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 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 systems. Further, during the course of our audit we did not come across any instance of
- the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- For Gupta Vigg & Co.**
Chartered Accountants
Firm Regn.No.001393N
- CA Vinod Khanna)**
Partner
M.No.81585
UDIN:25081585BMLDYP1719
- Dated: 28.05.2025
Place: Ludhiana

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of **NAHAR SPINNING MILLS LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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



risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Gupta Vigg & Co.
Chartered Accountants
Firm Regn.No.001393N

CA Vinod Khanna
Partner

Dated: 28.05.2025

Place: Ludhiana

M.No.81585

UDIN:25081585BMLDYP1719

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so

- to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and based on the examination of records of the company, conveyance deed etc., we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements



- are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for such class of inventory were noticed.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The stock statements has been filed with banks by the company during the year are in agreement with books of accounts of the company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the order is not applicable for the company.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year, prima facie, not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted loans as per stipulation for repayment of principal and interest of loan. Hence reporting under clause 3(iii)(c) is not applicable for the company.
- (d) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted loans to any parties during the year. Hence reporting under clause 3(iii)(d) is not applicable for the company.
- (e) According to the information and explanations given to us and based on the audit procedures conducted by us, no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loan or any 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 3(iii)(f) of the order is not applicable for the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2025 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- c. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax/GST which have not been deposited as at March 31, 2025 on account of dispute are given below:



Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Rs.(in Lacs)
The Income Tax Act, 1961	Income Tax	CIT (A) -NFAC	A.Y. 2015-2016	58.28
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2016-2017	56.18
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2016-2017	948.16
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2017-18	21.95
The Income Tax Act, 1961	Income Tax	CIT (A)	A.Y. 2018-19	14.19
The Income Tax Act, 1961	Income Tax	CIT (A)	A.Y. 2019-20	5.43
GST Act, 2017	GST	Commissioner (Appeals) CGST Commissionerat, Chandigarh	F.Y 2017-18 & 2018-19	396.18
Central Excise Act, 1944	Excise Duty	High Court of Jabalpur	F.Y 2000-2003	17.47
The Customs Act, 1962	Drawback	High Court of Jabalpur	F.Y 2006-2007	0.93

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings from any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on examination of records of the company, the Company has applied the term loans for the purpose for which loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has not any subsidiary, joint ventures or associate company, hence reporting under clause (ix)(e) and (f) is not applicable to the company
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The same is also not required to file.
- (c) The management has represented us that no whistle-blower complaints has been received by the Company during the year (and upto the date of this report).
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) According to information and explanations given to us, there is one core investment company



within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).

- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet

date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. Company has no unspent amount under CSR at the end of the financial year, hence reporting under clause 3(xx) (a) and (b) is not applicable to the company.

For Gupta Vigg & Co.
Chartered Accountants
Firm Regn.No.001393N

CA Vinod Khanna)
Partner

Dated: 28.05.2025
Place: Ludhiana

M.No.81585
UDIN:25081585BMLDYP1719



NAHAR SPINNING MILLS LIMITED

Annual Report
2024-2025

CASH FLOW STATEMENT FOR THE YEAR 1ST APRIL, 2024 TO 31ST MARCH, 2025

(Rs In Lacs)

Particulars	Current Year	Previous Year
Cash Flow from Operating Activities		
Net Profit Before Tax and Extra ordinary activities	2,113.25	(6,138.42)
Adjustments for :		
Depreciation	9,521.57	8,847.91
Finance Cost	7,420.13	6,615.17
Interest received	(1,027.97)	(587.05)
Dividend Income	(56.04)	(76.93)
Net Gain on Sale/fair value of Investments	(76.40)	(81.87)
Profit/ Loss on sale of Fixed Assets/ subsidies adjustments	(236.24)	1,527.49
Operating Profit before Working Capital Changes	17,658.30	10,106.30
Adjustment for:		
--Trade Receivables	(19,005.63)	(11,345.26)
--Inventories	25,955.79	(32,703.73)
--Other financial assets	10.08	34.33
--Other financial assets (Long Term)	(73.04)	(69.00)
--Other current assets	676.91	(4,435.36)
--Provisions	309.61	126.87
--Other current liabilities	(10,968.56)	11,058.95
--Other non current liabilities	91.43	(172.26)
--Other financial Liabilities	(173.38)	62.91
--Other financial Liabilities (long Term)	-	(42.26)
--Trade Payables	(158.69)	(7,143.48)
Cash Generated from Operations	14,322.82	(34,521.99)
Interest paid	(5,220.44)	(4,316.27)
Direct Taxes Paid/adjusted	207.17	(635.74)
Net cash flow from operating Activities	9,309.55	(39,474.00)
Cash Flow from investing activities		
Purchase of Fixed Assets	(4,257.33)	(21,372.33)
Capital Work in Progress	(264.25)	9,840.40
Sale of Fixed Assets	329.11	3,000.59
Increase/Decrease in Other non current assets	4,580.88	1,915.88
Sale of Investments	243.71	1,534.92
Interest Received	1,027.97	587.05
Dividend Income	56.04	76.93
Increase in Investment	(290.20)	(515.24)
Net cash used in investing activities	10,735.48	(44,405.80)
Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	1,022.58	7,596.26
Repayment of Long Term Borrowings	(7,444.41)	(6,776.93)
Increase/Decrease in Working Capital Limits & ICD's	1,408.32	41,293.31
Interest Paid	(2,199.69)	(2,298.90)
Dividend Paid	(360.65)	(540.98)
Net Cash Used in Financing Activities	(7,573.85)	39,272.76
Net Increase in Cash & Cash Equivalents	3,161.63	(5,133.04)
Opening Cash and Cash Equivalents and other bank balances	154.03	5,287.07
Closing Cash and Cash Equivalents and other bank balances	3,315.66	154.03

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

VINOD KHANNA
Partner
(M. No. 081585)

BRIJ SHARMA
Company Secretary
Mem. No. FCS 2458

ANIL GARG
Chief Financial Officer

S.K SHARMA
Director
(DIN. 00402712)

DINESH OSWAL
Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2025
UDIN:25081585BMLDYP1719



NAHAR SPINNING MILLS LIMITED

Annual Report
2024-2025

BALANCE SHEET AS AT 31ST MARCH, 2025

(Rs In Lacs)

PARTICULARS	NOTE NO	As at 31st March 2025	As at 31st March 2024
ASSETS			
Non-current assets			
a) Property, plant and equipment	1.1	85,775.95	91,089.97
b) Capital work-in-progress	2	531.31	267.06
c) Other intangible assets	1.2	20.35	31.64
d) Investment properties	1.3	621.21	653.01
e) Financial assets			
i) Investments	3.1	13,883.54	13,411.27
ii) Other financial assets	3.2	3,608.14	3,535.10
f) Other non-current assets	4	418.19	4,999.07
		<u>1,04,858.69</u>	<u>1,13,987.12</u>
Current assets			
a) Inventories	5	86,019.94	1,11,975.73
b) Financial assets			
i) Trade receivables	6.1	61,843.47	42,837.84
ii) Cash and Cash equivalents	6.2	3,260.55	90.17
iii) Bank balances other than (ii) above	6.3	55.11	63.86
iv) Other financial assets	6.4	102.07	112.15
c) Current tax assets (net)	7	886.65	1,214.49
d) Other current assets	8	17,950.54	18,627.45
		<u>1,70,118.33</u>	<u>1,74,921.69</u>
TOTAL ASSETS		<u>2,74,977.02</u>	<u>2,88,908.81</u>
EQUITY AND LIABILITIES			
a) Equity Share capital	9	1,805.31	1,805.31
b) Other equity	10	1,47,131.14	1,46,312.18
		<u>1,48,936.45</u>	<u>1,48,117.49</u>
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	18,508.47	21,806.40
b) Deferred tax liabilities (Net)	12	3,003.47	1,965.83
c) Other non-current liabilities	13	675.63	584.20
		<u>22,187.57</u>	<u>24,356.43</u>
Current liabilities			
a) Financial liabilities			
i) Borrowings	14.1	91,579.47	93,295.07
ii) Trade and other payables	14.2		
---total Outstanding dues of micro enterprises and small enterprises		234.01	103.20
---total Outstanding dues of creditors other than micro enterprises and small enterprises		2,322.55	2,612.05
iii) Other financial liabilities	14.3	84.20	257.58
b) Other current liabilities	15	8,652.69	19,621.25
c) Provisions	16	980.08	545.74
		<u>1,03,853.00</u>	<u>1,16,434.89</u>
TOTAL EQUITY AND LIABILITIES		<u>2,74,977.02</u>	<u>2,88,908.81</u>
Notes forming part of the Financial Statements	1-41		

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

For & On behalf of the Board

VINOD KHANNA
Partner
(M. No. 081585)

BRIJ SHARMA
Company Secretary
Mem. No. FCS 2458

ANIL GARG
Chief Financial Officer

S.K SHARMA
Director
(DIN. 00402712)

DINESH OSWAL
Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2025
UDIN:25081585BMLDYP1719


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025
(Rs in Lacs)

PARTICULARS	NOTE NO.	Current Year	Previous Year
INCOME			
I. Revenue from operations	17	3,28,455.80	3,05,001.52
II. Other Income	18	3,434.86	1,555.32
Total income(I+II)		3,31,890.66	3,06,556.84
EXPENSES			
III. Cost of materials consumed	19	2,22,227.91	2,14,032.50
IV Purchases of stock-in-trade	20	479.17	508.32
V Change in inventories of finished goods, work -in-progress and stock in trade	21	32.47	(3,607.15)
VI. Employee Benefit expense	22	31,794.43	29,152.22
VII Finance cost	23	7,420.13	6,615.17
VIII Depreciation and amortisation expense	1	9,521.57	8,847.91
IX Other expenses	24	57,777.73	56,559.79
Total Expenses (III TO IX)		3,29,253.41	3,12,108.76
X. Profit/(loss) before exceptional items and tax		2,637.25	(5,551.92)
XI. Exceptional items			
CSR expenses u/s 135 of Companies Act,2013		524.00	586.50
XII. Profit/(loss) before tax		2,113.25	(6,138.42)
XIII.Tax expense:	25		
(1) Current tax		-	-
(2) Deferred tax assets / liabilities		878.00	(1,030.00)
XIV. Profit/(loss) for the period from continuing operations		1,235.25	(5,108.42)
Other comprehensive income		65.03	(1,737.92)
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		349.39	(1,954.56)
Remeasurement of post-employment benefit obligations		(124.73)	(6.25)
Income tax relating to these items		(159.63)	222.89
Other comprehensive income for the year, net of tax		65.03	(1,737.92)
XV. Total comprehensive income for the year		1,300.28	(6,846.34)
Earnings per equity share	37		
Basic earnings per share		3.09	(13.84)
Diluted earnings per share		3.09	(13.84)
Notes forming part of the Financial Statements	1-41		

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

VINOD KHANNA
Partner
(M. No. 081585)

BRIJ SHARMA
Company Secretary
Mem. No. FCS 2458

ANIL GARG
Chief Financial Officer

S.K SHARMA
Director
(DIN. 00402712)

DINESH OSWAL
Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2025
UDIN:25081585BMLDYP1719


Statement of Changes in Equity for the Year ended 31st March 2025

Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
A.	Equity Share Capital		
	Balance at the begning of the Financial year	1805.31	1805.31
	Changes in Equity Share Capital during the year		
	Balance at the end of the Financial year	1805.31	1805.31
B	Number of shares	36065303	36065303
C	Other Equity		

Particulars	Reserve & Surplus				Total Equity
	Securities Premium Reserve	Capitall Reserve	General Reserve	Retained Earnings	
Balance at 01 April 2024	20,959.85	1,363.86	93,057.90	30,930.57	1,46,312.18
Profit / (Loss) for the year	-	-	-	1,235.25	1,235.25
Other comprehensive income (Net)	-	-	-	65.03	65.03
Total comprehensive income for the year	-	-	-	1,300.28	1,300.28
Dividend				(360.65)	(360.65)
Adjustment for income tax of earlier years				(120.67)	(120.67)
Transfer to General reserve				-	-
Balance as at March 31, 2025	20,959.85	1,363.86	93,057.90	31,749.53	1,47,131.14

Particulars	Reserve & Surplus				Total Equity
	Securities Premium Reserve	Capitall Reserve	General Reserve	Retained Earnings	
Balance at 01 April 2023	20,959.85	1,363.86	93,057.90	38,202.45	1,53,584.06
Profit / (Loss) for the year	-	-	-	(5,108.42)	(5,108.42)
Other comprehensive income (Net)	-	-	-	(1,737.92)	(1,737.92)
Total comprehensive income for the year	-	-	-	(6,846.34)	(6,846.34)
Dividend	-	-	-	(540.98)	(540.98)
Adjustment for income tax of earlier years	-	-	-	115.44	115.44
Transfer to General reserve	-	-	-	-	-
Balance as at March 31, 2024	20,959.85	1,363.86	93,057.90	30,930.57	1,46,312.18

D Shareholding of Promoters

Shares held by promoters at the end of the year						% Change during the year
Sr. No.	Promoters Name	No. of Shares 31-03-2025	%of Shares	No. of Shares 31-03-2024	%of Shares	
1	Nahar Capital and financial Services Ltd	16759440	46.47	16619120	46.08	0.39
2	Nahar Poly Films Ltd	6902244	19.14	6902244	19.14	-
3	Shankheshwar Holding Co. Ltd	373041	1.03	373041	1.03	-
4	Dinesh Oswal	123766	0.34	123766	0.34	-
5	Jawahar Lal Oswal	90374	0.25	90374	0.25	-
6	Kamal Oswal	24750	0.07	24750	0.07	-
7	Abhilash Oswal	16000	0.04	16000	0.04	-
8	Ruchika Oswal	11555	0.03	11555	0.03	-
9	Monica Oswal	11520	0.03	11520	0.03	-
10	Sambhav Oswal	1000	0.00	1000	0.00	-



NAHAR SPINNING MILLS LIMITED

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11	Ritu Oswal	1000	0.00	1000	0.00	-
12	Tanvi Oswal	1000	0.00	1000	0.00	-
13	Abhinav Oswal	500	0.00	500	0.00	-
14	Manisha Oswal	500	0.00	500	0.00	-
15	Rishabh Oswal	500	0.00	500	0.00	-
16	Sanjana Oswal	500	0.00	500	0.00	-
	Total	24317690	67.43	24177370	67.04	

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

VINOD KHANNA
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Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2025
UDIN:25081585BMLDYP1719



(Rs In Lacs)

NON-CURRENT ASSETS
PROPERTY, PLANT AND EQUIPMENT

Description	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 01st April.2024	Additions	Disposals/ Adjustments	As at '31st March 2025	As at 01st April.2024	Additions	Disposals/ Adjustments	As at '31st March 2025
1.1 Property, Plant and equipment:								
Freehold Land	11680.87	651.20	-	12,332.07	-	-	-	12,332.07
Building	42966.96	152.78	-	43,119.74	11294.47	1560.89	-	30,264.38
Plant & Machinery	107171.39	3264.04	99.12	1,10,336.31	61952.42	7271.51	9.27	41,121.65
Vehicles	2490.71	27.54	30.97	2,487.28	1086.44	407.57	28.15	1,021.42
Office Equipment	1879.47	94.37	-	1,973.84	1034.26	162.79	-	776.79
Furniture & Fixtures	737.42	67.40	0.20	804.62	469.26	75.72	-	259.64
Total (A)	1,66,926.82	4,257.33	130.29	1,71,053.86	75,836.85	9,478.48	37.42	85,775.95
1.2. INTANGIBLE ASSETS								
Software	138.35	-	-	138.35	106.71	11.29	-	20.35
Total (B)	138.35	-	-	138.35	106.71	11.29	-	20.35
Total (A+B)	1,67,065.17	4,257.33	130.29	1,71,192.21	75,943.56	9,489.77	37.42	85,796.30
91,121.61								

1.3. Investment Properties:

Buildings and related equipments	1028.43	-	-	1,028.43	375.42	31.80	-	407.22	621.21	653.01
Total (A)	1,028.43	-	-	1,028.43	375.42	31.80	-	407.22	621.21	653.01

Fair Value of Investment Properties

Rental Income Received/Receivables from Investment properties

Direct expenses (including repair & maintenance) for generating rental income

	31-03-2025	31-03-2024
	7,192.84	3,682.50
	118.89	12.84
	0.69	-



NON-CURRENT ASSETS
PROPERTY, PLANT AND EQUIPMENT

(Rs In Lacs)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 01st April, 2023	Additions	Disposals/ Adjustments	As at '31st March 2024	As at 01st April, 2023	Additions	Disposals/ Adjustments	As at '31st March 2024	31 March 2023
1.1 Property, Plant and equipment:									
Freehold Land	15292.03	872.83	4,483.99	11,680.87	-	-	-	11,680.87	15,292.03
Building	39413.88	3553.08	-	42,966.96	9786.70	1507.77	-	11,294.47	29,627.18
Plant & Machinery	91520.64	15693.91	43.16	1,07,171.39	55266.04	6688.05	1.67	61,952.42	36,254.60
Vehicles	1591.13	921.44	21.86	2,490.71	766.25	339.45	19.26	1,086.44	824.88
Office Equipment	1578.07	301.40	-	1,879.47	856.18	178.08	-	1,034.26	721.89
Furniture & Fixtures	707.75	29.67	-	737.42	388.00	81.26	-	469.26	319.75
Total (A)	1,50,103.50	21,372.33	4,549.01	1,66,926.82	67,063.17	8,794.61	20.93	75,836.85	83,040.33
1.2. INTANGIBLE ASSETS									
Software	138.35	-	-	138.35	86.84	19.87	-	106.71	51.51
Total (B)	138.35	-	-	138.35	86.84	19.87	-	106.71	51.51
Total (A+B)	1,50,241.85	21,372.33	4,549.01	1,67,065.17	67,150.01	8,814.48	20.93	75,943.56	83,091.84

1.3. Investment Properties:

Buildings and related equipments	1028.43	-	-	1,028.43	341.99	33.43	-	375.42	686.44
Total (A)	1,028.43	-	-	1,028.43	341.99	33.43	-	375.42	686.44

31-03-2024 31-03-2023

Fair Value of Investment Properties

Rental Income Received/Receivables from Investment properties

Direct expenses (including repair & maintenance) for generating rental

Income

3,682.50

12.84

107.62

26.50



Note 2 Capital work-in-progress (CWIP)		
Opening Balance	31-03-2025	31-03-2024
Addition / Transfer	267.06	10107.46
Closing Balance	264.25	-9840.40
	531.31	267.06

CWIP ageing schedule for 2024-2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Project in progress	531.31	-	-	-	531.31
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule for 2023-2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Project in progress	267.06	-	-	-	267.06
Projects temporarily suspended	-	-	-	-	-



Note No.	Particulars	As at 31 March 2025		As at 31 March 2024	
Financial Assets					
3.1 : Investments					
a)	Investment at fair value through profit or loss	No. of Units	Amount	No. of Units	Amount
Investment in Equity instruments					
i)	Punjab & Sind Bank (Equity Shares of Rs.10/- each fully paid up)	4893	2.13	4893	2.75
ii)	Reliance Capital Ltd (Equity Shares of Rs 10/-each fully paid up)	3700	0.39	3700	0.46
iii)	Jaiprakash Associates Ltd (Equity Shares of Rs 2/- each fully paid up)	57000	1.81	57000	10.48
iv)	Jaiprakash Power Venture Ltd (Equity Shares of Rs 10/- each fully paid up)	81000	11.54	81000	12.19
Investment in Debt Funds					
i)	Debentures of Piramal Enterprises Ltd	0	0.00	20	230.69
ii)	SBI FMP S-61 Direct Growth.	2999850.007	363.23	2999850.007	336.52
iii)	CUBE HIGHWAYS TRUST	200000	250.00	200000	203.33
b) Investment at fair value through other comprehensive income					
Investment in Equity instruments					
i)	Nahar Capital & Financial Services Ltd.(Equity Shares of Rs. 5/- each fully paid up)	607856	1363.12	607856	1689.84
ii)	Nahar Poly Films Ltd. (Equity Shares of Rs 5/- each fully paid up)	4641632	9141.69	4506206	8093.15
iii)	Sankeshwar Holding Company Ltd (Equity Shares of Rs 10/-each fully paid up) (unquoted)	95750	244.47	95750	288.23
Investment in Government securities					
i)	7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	7007	76.03	7007	84.08
ii)	7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	15058	166.84	15058	188.06
iii)	7.35 % Indian Railway Finance Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	5878	65.01	5878	75.57
iv)	7.35 % National Bank for Agricultural and Rural Development. (Tax free Bonds of Rs.1000/- each fully paid up)	10020	110.70	10020	110.73
v)	7.35 % National Highways Authority of India. (Tax free Bonds of Rs.1000/- each fully paid up)	7709	86.57	7709	85.18
c) Investment at Amortised Cost					
i)	Fully paid up 5% Non Cumulative Redeemable Preference Shares (OWM) (unquoted)	2000000	2000.00	2000000	2000.00
ii)	Shree Panchvati Co-Operative Housing Society Ltd (Equity Shares of Rs.50/- each fully paid up) (unquoted)	10	0.005	10	0.005
TOTAL			13883.54	13411.27	
(a) Aggregate amount of quoted investments and market value thereof;			11639.06	11123.04	
(b) Aggregate amount of unquoted investments; and			2244.48	2288.23	
(c) Aggregate amount of impairment in value of investments.			-	-	



Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
3.2 : Other Financial assets			
Security deposits			
- Unsecured, considered good	3608.14	3534.65	
Deposits with maturity more than twelve months	-	0.45	
Total	3,608.14	3,535.10	
4 : Other Non Current Assets			
Capital advances	411.19	4999.07	
Prepaid rent	7.00	-	
Total	418.19	4999.07	
CURRENT ASSETS			
Note 5 : Inventories			
Raw Materials	45258.52	71211.12	
Raw Materials (Goods in Transit)	7.10	5.81	
Work in Process	8544.53	8455.81	
Finished Goods	27552.39	27401.80	
Stock-in-Trade	76.00	90.87	
Stores & Spares	2056.90	2028.67	
Stores & Spares (Goods in Transit)	-	0.24	
Waste & Rejections	2524.50	2781.41	
Total	86019.94	111975.73	
Financial Assets			
6.1 : Trade Receivables			
Unsecured Considered good unless otherwise stated	61843.47	42837.84	
Total	61843.47	42837.84	

Trade Receivables ageing Schedule as on 31st March 2025

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	58155.29	3686.86	0.33	0.99	-	-	61843.47
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK							-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED							-
(IV) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS							-
(V) DISPUTED TRADE RECEIVABLE							-
							-


Trade Receivables ageing Schedule as on 31st March 2024

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	42514.45	322.22	1.12	0.05	-	-	42837.84
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK							-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED							-
(IV) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS							-
(V) DISPUTED TRADE RECEIVABLE							-

6.2 : Cash and Cash Equivalents -

Balance with banks	2.81	59.04
Cash in hand	32.74	31.13
Deposits with maturity less than three months	3,225.00	-
Total	3260.55	90.17

6.3 : Other bank balances

Unpaid Dividend account	55.11	63.86
	55.11	63.86

6.4 : Other financial assets

Advances to employees	98.70	112.15
Interest accrued on FD	3.37	-
Total	102.07	112.15

7 : Current tax assets (Net)

Advance income tax/TDS/TCS	228.46	536.82
Income Tax Refund Receivable	658.19	677.67
Total	886.65	1,214.49

8 : Other Current Assets

Prepaid expenses	1054.94	1090.02
Prepaid rent	1.75	2.27
Advance to suppliers & other (Recoverable in Cash or kind)	4405.27	1435.14
Balances with Government authorities	11567.45	13863.42
GST Deposited Under Protest (Ref Note 30(viii))	500.00	500.00
Others	421.13	1736.60
Total	17950.54	18627.45



NAHAR SPINNING MILLS LIMITED

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Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
9 : Equity Share Capital			
A) Authorised			
	60,000,000 (Previous year 60,000,000) equity shares of Rs. 5 each	3000.00	3000.00
B) Issued, subscribed and fully paid up			
	36,065,303 (Previous year 36,065,303) equity shares of Rs. 5 each fully paid up	1803.27	1803.27
	Add : Share forfeited	2.04	2.04
	Total	1805.31	1805.31
a) Terms/rights attached to equity shares			
The company has only one class of shares having par value at Rs. 5/-per share. Each holder of equity shares is entitled to one vote per share.			
b) Reconciliation of number of shares			
	Number of shares at the begning of the Financial year	3,60,65,303	3,60,65,303
	Add: Shares issued during the year	-	-
	Less: Share buy back during the year	-	-
	Number of shares at the end of the Financial year	3,60,65,303	3,60,65,303
c) Detail of shareholders holding more than 5% shares			
	No. of shares	%age	No. of shares
1. Nahar Capital and Financial services Limited	16759440	46.47	16619120
2. Nahar Poly Films Limited	6902244	19.14	6902244
d) Forfeited Shares (amount originally paid up)			
	Amount Paid Up	No. of shares	No. of shares
	Rs.2.50 per Share	80,298	80,298
	Rs.5.00 per Share	710	710
10 : Other Equity			
A) Security premium reserves			
	Balance as per Last Balance Sheet	20959.85	20959.85
	Add: Additions during the year	-	-
	Balance as at the year end	20959.85	20959.85
B) Capital reserves			
	Balance as per Last Balance Sheet	1363.86	1363.86
	Add: Additions during the year	-	-
	Balance as at the year end	1363.86	1363.86
C) General reserves			
	Balance as per Last Balance Sheet	93057.90	93057.90
	Add: Transfer From Surplus/Retained Earning	-	-
	Balance as at the year end	93057.90	93057.90
D)Retained Earning/Surplus			
	Balance as per Last Balance Sheet	30930.57	38202.45
	Profit/(Loss) Transfer from Profit & Loss A/c	1,235.25	(5,108.42)
	Other Comprehensive Income for the Year (Net)	65.03	(1,737.92)
	Add/Less: Adjustment of Income Tax earlier Years	(120.67)	115.44
	Less: Dividend	360.65	540.98
	Balance as at the year end	31749.53	30930.57
	Total	147131.14	146312.18



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Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
NON CURRENT LIABILITIES			
Financial Liabilities			
11 : Borrowings			
Term loans from banks- Secured			
1. From Punjab National Bank (E-OBC)	865.81	1765.02	
2. From State Bank of India	17642.66	20041.38	
Total	18508.47	21806.40	
Nature of Security		Terms of Repayment	
1. From Punjab National Bank (E-OBC)			
-Term Loan of Rs 6600 Lacs is secured by Plant & Machinery purchased out of the sanctioned term loan.		- Term Loan is repayable in quarterly installments by 31/03/2027.	
Second charge on entire block of assets of the company inclusive of all units pertaining to the erstwhile NEL (Nahar Export Ltd) to be shared on pari-passu basis with the Consortium member Banks.(Except the assets financed by SBI at Lalru/Lehli.		Rate of Interest 31.03.2025, 8.80% p.a and 31.03.2024, 8.50 % p.a	
The Term Loan is personally guaranteed by three Directors of the Company.			
2. STATE BANK OF INDIA			
Term Loan of Rs. 27500 Lacs is Secured by first Pari-Passu Charge with other term lenders by way of Hypothecation of entire fixed assets of the Company including equitable mortgage of :(i) 1st pari passu basis to term lenders which includes 40.20 acres of land at Village Simrai, Mandideep, Raisen , Madhya Pradesh and 12.62 acres of land located at Village Itayakalan, Mandideep, Madhya Pradesh.		-Term Loan is repayable in quarterly installments by 30/09/2031.	
(ii) Negative lien on all other immovable assets of the company both present and future.		Rate of Interest 31.03.2025, Rupee Loan 9.20% p.a & FCNR(B) @ 5.99 % p.a	
-Second Pari-Passu Charge with other term lenders by way of Hypothecation of entire current assets including stock of raw material, stock in process, finished goods, store & spares /consumable and receivables/book debts , other current assets , both present and future.		Rate of Interest 31.03.2024, Rupee Loan 8.75% p.a & FCNR(B) N.A	
The Term Loan is personally guaranteed by three Directors of the Company.			
During the year Rs.19400 lacs loan has been converted into FCNR(B) loan having maturity date 29/12/2025			
12 : Deferred tax Liabilities (Net)			
Timing Difference on account of Depreciation, IND AS adjustment etc.	3872.47	3417.83	
Difference on account of Allowances under section 43B, Losses & etc.	(869.00)	(1,452.00)	
Total	3003.47	1965.83	



Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
	13 : Other non current liabilities		
	Deferred income	675.63	584.20
	Total	675.63	584.20
	CURRENT LIABILITIES		
	Financial Liabilities		
	14.1 : Borrowings		
	Loans from banks- Secured	87999.00	86590.69
	Secured by (I) Hypothecation of entire current assets of the company both present and future . (II) 2nd Charge (on pari-passu basis) over entire plant and machinery, present or future, of all the units of the company and also personally Guaranteed by Chairman, Managing Director and one Director of the Company.		
	Current maturities of long term debts	3580.47	6704.38
	Total	91579.47	93295.07
	14.2 : Trade and other payables		
	---total Outstanding dues of micro enterprises and small enterprises	234.01	103.20
	---total Outstanding dues of creditors other than micro enterprises and small enterprises	2322.55	2612.05
	Total	2556.56	2715.25

Trade Payables ageing schedule as on 31st March 2025

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	234.01	-	-	-	-	234.01
(ii) Other	2,289.30	33.25	-	-	-	2,322.55
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payables ageing schedule as on 31st March 2024

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	103.20	-	-	-	-	103.20
(ii) Other	2,514.64	96.54	0.24	0.63	-	2,612.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-



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Note No.	Particulars	As at 31 March 2025	As at 31 March 2024
14.3 : Other financial liabilities			
	Retention money	28.90	190.56
	Unpaid dividends	55.11	63.86
	Others	0.19	3.16
	Total	84.20	257.58
15 : Other current liabilities			
	Advances from customers	342.39	655.47
	Dues to director	45.55	49.95
	Government dues	667.11	636.04
	Deferred income	288.10	169.33
	Others	7309.54	18110.46
	Total	8652.69	19621.25
16 : Provisions			
	Provision for Gratuity	980.08	545.74
	Total	980.08	545.74

Note No.	Particulars	For the year ended 31st March,2025	For the year ended 31st March,2024
17 : Revenue from operations			
	Sales - Export	163453.07	162516.13
	Sales - Domestic	154193.48	131385.91
	Export incentives	9404.56	9531.29
	Sale of services	961.10	1065.43
	Miscellaneous sales	424.17	467.21
	Miscellaneous receipts	11.60	28.96
	Claims received	7.82	6.59
	Total	328455.80	305001.52
18 : Other Income			
	Interest income	1027.97	587.05
	Dividend income	56.04	76.93
	Rental income	260.16	158.80
	Balances written back	74.16	61.12
	Gain on sale of Property, Plant & Equipment	236.36	156.54
	Exchange Rate Difference (Net)	-	0.18
	Net gain on sale / fair value of investments	76.40	81.87
	Net MTM gain on Forward Contracts	120.65	-
	Miscellaneous income (Including Deferred Income)	1583.12	432.83
	Total	3434.86	1555.32



Note No.	Particulars	For the year ended 31st March,2025	For the year ended 31st March,2024
19 : Cost of materials consumed			
	Opening stock	71211.12	42132.00
	Add : Purchases (Net)	196275.31	243111.62
	Less: Closing Stock	(45,258.52)	(71,211.12)
	Total	222227.91	214032.50
20 : Purchases of stock-in-trade			
	Hosiery Garments/others	479.17	508.32
	Total	479.17	508.32
21 : Change in inventories of finished goods/ Work -in-progress/ stock in trade			
	Opening stock		
	Work-in-Progress	8455.81	6973.26
	Finished Goods / Stock in Trade etc.	30274.08	28149.48
	Less: Closing Stock		
	Work-in-Progress	(8,544.53)	(8,455.81)
	Finished Goods / Stock in Trade etc.	(30,152.89)	(30,274.08)
	Total	32.47	(3,607.15)
22 : Employee benefit expense			
	Salary and wages	28772.74	26388.46
	Contribution to PF, ESI and Gratuity Fund	2689.65	2467.70
	Employees Welfare Expenses	332.04	296.06
	Total	31794.43	29152.22
23 : Finance cost			
	Interest on term loan	2199.69	2298.90
	Interest on cash credit	4817.87	4182.44
	Interest to others	149.15	22.83
	Other borrowing costs	99.77	111.00
	Exchange Differences regarded as an adjustment to borrowing costs	153.65	-
	Total	7420.13	6615.17
24 : Other expenses			
	Consumption of stores & spare parts	1460.50	1245.59
	Power and Fuel	30967.49	30551.86
	Dyes & Chemicals	2805.88	2602.64
	Rent	42.71	42.70
	Repair to Buildings	502.48	498.62
	Repair to Machinery	4016.93	3880.98
	Insurance	920.99	912.04
	Rates and taxes	177.87	241.26
	Payment to auditors (ref note 24.1)	24.18	22.26
	Exchange Rate Difference (Net)	2.29	-

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Note No.	Particulars	For the year ended 31st March,2025	For the year ended 31st March,2024
	Brokerage/commission on sale	1907.01	2156.79
	Cost of Raw Material Sold	-	40.62
	Freight and forwarding	6613.28	5419.59
	Packing Store Consumed	5033.03	4421.26
	Vehicle Maintenance and Conveyance	395.57	380.37
	Bank Charges	458.61	403.62
	Loss on MTM on Forward Contracts	-	52.55
	Loss on Sale of Fixed Assets	0.13	1684.03
	Others	2448.78	2003.01
	Total	57777.73	56559.79
24.1 Payment to auditors			
	Audit Fees	17.85	16.98
	Tax Audit Fees	4.30	4.10
	Certification Charges	1.94	1.01
	Out of Pocket Expenses	0.09	0.17
	Total	24.18	22.26
25 : Tax expense:			
	(1) Current tax		
	Provision for Taxation	-	-
	(2) Deferred tax assets / liabilities	878.00	(1,030.00)
	Total	878.00	(1,030.00)
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2025 and 31 March 2024:			
	Accounting profit before tax	2,113.25	(6,138.42)
	All india's statutory income tax rate of 25.168% (31st March 2024: 25.168%)	531.86	(1,544.92)
	Tax effect of Other Items as per Income Tax Act.	346.14	514.92
	Income tax expense/ deferred tax reported in the statement of profit and loss	878.00	(1,030.00)

**26. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:****I. Background**

Nahar Spinning Mills Limited (the "Company") incorporated as a Private Limited company in 1980 and became a Public Limited company in 1983. Nahar Spinning Mills Limited is engaged in the business of manufacture of cotton yarn/blended yarn and hosiery knitwears. The company is a public Limited company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, Its shares are listed in recognized stock exchanges of India. The registered office of the company is located at 373, Industrial Area 'A', Ludhiana.

II. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation**(i) Compliance with Ind AS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act. The Financial statements of the company for the year ended 31 March, 2025 have been approved by the Board of Directors at their meetings held on 28th May, 2025

The financial statements of the company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans- assets measured at fair value.

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

(ii) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(iii) Current/Non-current classification :

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

(b) Foreign currency translation

Items included in the financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of profit and loss.

(c) Revenue recognition

(i) Revenue arises mainly from the sale of manufactured and traded goods. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.



Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

- (ii) Export Incentives- Export incentives are recognised on post export basis.
- (iii) Interest income - Interest income is recognised on accrual basis.
- (iv) Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established
- (v) Rental Income- Rental income is accounted for on accrual basis.
- (vi) Scrap (i.e empties, miscellaneous scrap etc.) is accounted for on sale basis
- (vii) Income and other Claims -Revenue in respect of claims is recognised when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .

(d) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are recognised in the statement of profit or loss over the period of useful life of asset.

(e) Income Tax

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

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. . Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends



either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(g) Cash and Cash Equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances and bank overdrafts.

(h) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

1. a) For Raw Material on moving weighted average method plus direct expenses.
b) For Stores and Spares on moving weighted average method plus direct expenses
c) For Work - in - Process, cost of Raw Material plus appropriate share of manufacturing expenses/ relevant Overheads/conversion cost depending upon the stage of completion.
2. For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

(i) FINANCIAL ASSETS

(i) Classification

- The company classifies its financial assets in the following measurement categories -
- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at the fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

(iii) Impairment of financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The company assesses on a forward looking basis the expected credit losses associated with its assets



carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(j) Impairment of Non-Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash generating units). Non- Financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

(k) Non- Current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt

Non-current assets are not depreciated or amortised while they are classified held for sale. Interest and other expenses attributable to the liabilities of disposal, company classified as held for sale, continue to be recognised.

(l) Derivatives that are not designated as hedges

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss

(m) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013.

- a)** In Garment Division at Ludhiana, depreciation is charged on W.D.V. basis
- b)** In all other units, depreciation is charged on Straight Line basis The residual values are not more than 5% of the original cost of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or



retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

(n) Investment Properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over the useful life of 60 years.

(o) Intangible assets Computer software

Computer software are stated at cost less accumulated amortisation and impairment, if any.

Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 6 years.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(s) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

(t) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Other long term employee benefit obligations**

The liabilities if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

(iii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iv) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

(u) Estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities as at the date of financial statements and reported amount of income and expenses during the period.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Designation of financial assets /liabilities through FVTPL
- Estimation of defined benefit obligation
- Recognition of deferred tax assets for carried forward tax losses

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on company and that are believed to be reasonable under the circumstances.

(v) Cash Flow Statement :

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 "Statement of Cash Flows" using indirect method for operating activities.

(w) Earning per share**(i) Basic earning per share**

Basic earning per share is calculated by dividing :

- The profit attributable to equity share holders and
- By the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earning per share

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

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and



- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time

Effective 1 April 2025, the Company has adopted the amendments to **Ind AS 21 – The Effects of Changes in Foreign Exchange Rates**, issued via the **Companies (Indian Accounting Standards) Amendment Rules, 2025**.

As per the amended standard, where a currency is not exchangeable into another currency at a measurement date for a specified purpose, the Company estimates the spot exchange rate that would reflect the rate at which an orderly exchange transaction would take place between market participants under prevailing economic conditions.

The estimation process considers observable exchange rates, including those available for other purposes or subsequent to the restoration of exchangeability, and applies alternative estimation techniques where appropriate.

Disclosures are made regarding:

- The nature and financial effects of currencies not being exchangeable;
- The estimated exchange rates used;
- The estimation process followed;
- The associated financial risks.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

27. Contingent liabilities not provided for

- Excise/Service Tax/GST/Income Tax/ Other Government Authorities have raised demands of Rs. 2069.42 Lacs (31 March 2024: Rs. 1148.71 Lacs) out of which a sum of Rs. 550.65 Lacs (31 March 2024: Rs. 34.65 Lacs) has been deposited against said demand. Further these demands have been contested in appeal and no provision has been made in the financial statement.
- The Company has given Bank Guarantees for Rs. Nil (31 March 2024 : Rs. 5 Lacs) in favour of Punjab Pollution Control Board and Bank Guarantee for Rs.6.69 Lacs (31 March 2024 : Rs. 6.69 Lacs) in favour of Ministry of Textiles.

28. Capital & Other commitments

Estimated amount of Contracts remaining to be executed , net of advances -

	31 March 2025	31 March 2024
On Capital Accounts	2,045.27	3,791.55
On Others	11,118.56	1,147.51

- 29.** There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act, 2006, to whom the company owes dues, which are outstanding for more than 45 days. This information has been determined on the basis of information received from the parties

	31-Mar-25	31-Mar-24
The principal amount and the interest due thereon (to be shown separately) remaining unpaid (NOT DUE)	234.01	103.20
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-



	31-Mar-25	31-Mar-24
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

30. Other notes

- I. Salaries & wages incurred during the year on repairs and maintenance of Building and Plant & Machinery etc. have been charged to former accounts and not shown separately.
- II. In the opinion of the board, the value of Current Assets, Loans and Advances have a value in the ordinary course of business at least equal to that stated in the balance sheet
- III. Some balances of Trade Payables, Advances and Trade Receivables are subject to their Confirmation.
- IV. Borrowing cost amounting Rs. Nil (31st March 2024 : Rs. 571.86 Lacs) has been capitalized during the year.
- V. Material events occurring after the balance sheet date are taken into cognizance.
- VI. To meet its CSR Obligation under section 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields. It has already registered itself with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities.

The foundation has undertaken "Health Care Project", as approved by the consortium at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana and as well as Rural Development project at village Barmalipur, District Ludhiana.

During the *financial* year 2024-25, CSR committee recommended Rs.524.00 lakhs (Previous year Rs.586.50 lakhs), for CSR obligation being two percent of the average net profits of the company for three immediately preceding financial years.

Accordingly, to fulfil its obligation under CSR, Board on the recommendation of CSR Committee decided to contribute an amount of Rs.501.51 lakhs (Previous year Rs.510.50 Lakhs net of prepaid amount of Rs. 76 lakhs) paid to the Oswal Foundation for undertaking Health care projects and Rural Development project as approved by the consortium of the Group Companies formed to undertake.

CSR activities through Oswal Foundation., donation of a vehicle for Rs. 17.49 Lakhs given to Police Department for undertaking healthcare activities under CSR and Rs. 5 Lakhs have been paid to 83rd Indian History Congress for improvement in education.

Particulars	31 March 2025	31 March 2024
The amount required to be spent	524.00	586.50
The amount spent	524.00	*586.50
* Amount contributed in 2023-24	510.50 lakhs	
* Amount contributed in 2022-23 (Prepaid)	76.00 lakhs	



- VII. The Company had entered into a contract with Trident International Holdings FZCO, Dubai to purchase property for official use for a consideration of Thirteen Million Three hundred nineteen thousand eight hundred ninety eight Dirhams. The company has paid Seven Million Nine hundred ninety one thousand nine hundred forty Dirhams. (INR 939.51 Lacs) As per the contract, the above said party was supposed to handover the contracted property at the end of 1st Quarter of 2011. The said party breached the contract. As the developer did not complete the project, the Real Estate Regulatory Agency in Dubai cancelled the project.

Special Judicial Committee on incomplete and cancelled Real Estate Projects and properties, Dubai adjudicated to return to the plaintiffs the amount paid by them viz a viz amount being realised. Till the amount is received back, the amount paid by the company has been shown as advances recoverable in Cash or kind.

- VIII. The Additional Commissioner of CGST, Chandigarh, issued an order dated 03.02.2025 and raised a demand of ₹448.09 Lacs along with an equivalent amount of penalty. The company is contesting this demand by filing an appeal with the Commissioner (Appeals), Chandigarh. An amount of ₹500 Lacs has already been deposited under protest. No provision has been made in the financial statements for this disputed demand, as the obligation is contingent upon the outcome of the appeal. The amount deposited of Rs. 500 Lacs has been shown under advances recoverable in cash or kind.

However, the disputed demand is disclosed as a contingent liability.

- IX. An ocean vessel carrying the containerized export shipments of finished goods of the company amounting to Rs. 1162.73 Lacs had partly tilted/capsized at the seaport's berth on 24th March 2022. The company has received Rs. 529.70 lacs as final settlement from Insurance company and balance of Rs. 342.35 lacs (P.Y Rs. 290.68 lacs) has been debited to profit & loss account.

The containers are still lying with the port authorities of Syama Prasad Mookerjee Port, Kolkata pending final settlement between the shipping line and the port authorities. The shipping line has demanded demurrage, which is being separately contested.

- X. The company is operating in single segment i.e Textiles. Hence segment reporting as required under IND AS 108 (Operating Segments) is not applicable.
- XI. The figures of the previous period/year have been regrouped/recasted wherever considered necessary to correspond to current period/year disclosures.

Major Customer

Sales of the company is evenly distributed, disclosure of major customer is not being made. There is no single customer having sale more than 10% of the turnover of the company.

31. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Defined benefit plans (gratuity benefits)**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 35.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

32. Financial risk management objective and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: 'interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to 'the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings, the



analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding 'for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	31st March 2025	31st March 2024
Variable rate borrowings	49,725.77	78,953.65
Fixed rate borrowings	60,362.17	36,147.82

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held 'constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Profit before tax	
	31st March 2025	31st March 2024
Increase by 50 basis points	(248.63)	(394.77)
Decrease by 50 basis points	248.63	394.77

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in International currencies as part of the business is transacted in foreign currencies and consequently the company is exposed to foreign exchange risk. The Company's exposure in foreign currency is in loans, trade receivables, advances and trade payables etc.

(i) Particulars of unhedged foreign currency exposure as at reporting date

As at 31st March 2025

Particulars	(Foreign currency in lacs)		
	USD	EURO	Others
Trade Receivables	-	-	-
Trade Payables	-	-	-
Others	5.71	-	-

As at 31st March 2024

Particulars			
	USD	EURO	Others
Trade Receivables	-	-	-
Trade Payables	-	0.84	0.14
Others	5.10	-	-

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	31st March 2025		31st March 2024	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	24.40	(24.40)	21.27	(21.27)
EURO	-	-	3.76	(3.76)
Others	-	-	0.67	(0.67)
Increase/(decrease) in Profit or Loss	24.40	(24.40)	25.70	(25.70)

ii) Foreign Currency Exposure

The foreign currency exposure of the Company as on reporting date is as under. The company does not use forward contracts for speculative purpose.



Category wise quantitative data	As at 31st March, 2025	As at 31st March, 2024
Type of contract	USD	USD
Forward contracts against exports	266.09	156.87
Foreign Currency Loans	234.30	-
Packing Credit in Foreign Currency	79.57	156.11

iii) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

B) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables)

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk on reporting date

(ii) Moderate credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment.

Recoveries made are recognised in statement of profit and loss.

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit, from customers where credit risk is high.

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.


Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(i) Trade Receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6.1 Trade receivables are unsecured but considered good subject to provision made thereon.

Trade receivables	31st March 2025	31st March 2024
Not Due	58,155.29	42,514.45
Up to 6 Months past Due	3,686.86	322.22
6 Months to 1 Year past Due	0.33	1.12
1 to 2 Year	0.99	0.05
2 to 3 Year	-	-
More than 3 Year	-	-
	61,843.47	42,837.84
Provision for Doubtful Debts		
More than 1 year	-	-
Total	61,843.47	42,837.84

Reconciliation of Provision for Doubtful Debts	31st March 2025	31st March 2024
Balance at the Begning of the Year	-	-
Add: Provision made during the year	-	-
Less: Provision Written Back during the Year	-	-
Balance at the end of the Year	-	-

(C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods -

Floating rate	31st March 2025	31st March 2024
(a) Expiring within one year (Bank overdraft and other facilities)		
Secured		
-Working Capital Limits	18,274.73	30,678.90
(b) Expiring within one year (Term Loans)		
Secured		
-Term loan from banks	-	1,282.42

(ii) Maturity Patterns of borrowings				
Year ended 31st March,2025	Less than 1 Year	1 to 3 years	3 to 5 years	More than 5 years
Contractual Maturities of long term borrowings	3,580.47	7,738.44	6,872.00	3,912.43
Contractual Maturities of trade payables	2,556.56	-	-	-
Contractual Maturities of other financial liabilities	28.90	-	-	-
Total	6,165.93	7,738.44	6,872.00	3,912.43



Year ended 31st March,2024	Less than 1 Year	1 to 3 years	3 to 5 years	More than 5 years
Contractual Maturities of long term borrowings	6,706.00	8,638.44	6,872.00	7,602.00
Contractual Maturities of trade payables	2,715.25	-	-	-
Contractual Maturities of other financial liabilities	190.56	-	-	-
Total	9,611.81	8,638.44	6,872.00	7,602.00

33. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

	31st March 2025	31st March 2024
Borrowings	1,10,087.94	1,15,101.47
Trade payables	2,556.56	2,715.25
Less: Cash and cash equivalents	3,260.55	90.17
Net debt	1,09,383.95	1,17,726.55
Equity	1,48,936.45	1,48,117.49
Capital and net debt	2,58,320.40	2,65,844.04
Gearing ratio	0.42	0.44

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

34. Distribution made and proposed

	31st March 2025	31st March 2024
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2024: ₹1.00 per share (31 March 2023: ₹1.50 per share)	360.65	540.98
	360.65	540.98
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2025: ₹1.00 per share (31 March 2024: Rs. 1.00 per share)	360.65	360.65
	360.65	360.65

35. Post-Employment Obligations - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India.



Changes in defined benefit obligation	31-Mar-25	31-Mar-24
Gratuity Plan	5,745.10	5,247.62

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in defined benefit obligation	31-Mar-25	31-Mar-24
Present value obligation as at the start of the year	5,247.62	4,702.94
Interest cost	350.21	325.99
service cost	535.66	474.41
Benefits paid	(489.20)	(223.05)
Actuarial loss/(gain) on obligations	100.81	(32.67)
Present value obligation as at the end of the year	5,745.10	5,247.62

Change in fair value of plan assets	31-Mar-25	31-Mar-24
Fair value of plan assets as at the start of the year	4,701.89	4,290.32
Return on plan assets	320.95	309.61
Return on plan assets greater/(less) than discount rate	(23.92)	(38.92)
Contribution	255.3	363.93
Benefits paid	(489.20)	(223.05)
Fair value of plan assets as at the end of the year	4,765.02	4,701.89

Breakup of Actuarial gain/loss:

Description	31-Mar-25	31-Mar-24
Actuarial (gain)/loss on arising from change in financial assumption	153.23	27.72
Actuarial (gain)/loss on arising from experience adjustment	(52.42)	(60.39)
Return on plan assets (greater)/less than discount rate	23.92	38.92

Reconciliation of present value of defined benefit obligation and the fair value of plan assets	31-Mar-25	31-Mar-24
Present value obligation as at the end of the year	5,745.10	5,247.62
Fair value of plan assets as at the end of the year	4,765.02	4,701.89
Net asset/(obligation) recognized in balance sheet	(980.08)	(545.73)

Amount recognized in the statement of profit and loss	31-Mar-25	31-Mar-24
service cost	535.66	474.41
Interest cost	29.26	16.38
(Income)/Expense recognised in the statement of profit and loss	564.92	490.79

Amount recognised in the statement of Other Comprehensive Income

Description	31-Mar-25	31-Mar-24
Actuarial (Gain)/Loss for the year on DBO	100.81	(32.67)
Return on plan assets (greater)/less than discount rate	23.92	38.92
Recognised actuarial (Gain)/Loss at the end of the year	124.73	6.25



Actuarial assumptions	31-Mar-25	31-Mar-24
Discount rate	6.50%	7.00%
Future salary increase	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis for gratuity liability

	31-Mar-25	31-Mar-24
Discount rate	6.50%	7.00%
Present value obligation as at the end of the year	5,745.10	5,247.62
a) Impact due to increase of 0.50%	(153.23)	(135.61)
b) Impact due to decrease of 0.50%	162.04	143.30
Salary escalation rate at the end of the year	5.00%	5.00%
Present value of obligation at the end of the year	5,745.10	5,247.62
a) Impact due to increase of 0.50%	160.30	142.71
b) Impact due to decrease of 0.50%	(153.68)	(136.87)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(INR In Lacs)

Description	31-Mar-25	31-Mar-24
March 31, 2025		998.27
March 31, 2026	968.73	633.65
March 31, 2027	790.50	755.47
March 31, 2028	753.69	744.30
March 31, 2029	754.10	748.00
March 31, 2030	882.20	-
March 31, 2025 (March 31, 2031 to March 31, 2035)and March 31,2024 (March 31, 2030 to March 31, 2034)	4,531.92	4,282.17
Total expected payments	8,681.14	8,161.86

Withdrawal Rate	31-Mar-25	31-Mar-24
Attrition rate at the year and	10.00%	10.00%
Effect on DBO due to 5 % increase in Withdrawal Rate	65.38	97.33
Effect on DBO due to 5 % decrease in Withdrawal Rate	(142.25)	(189.13)

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years. (31st March 2024: 6 years)

Post Employment Benefit of KMP's

(in Lakhs)

Name of KMP	Date of Joining	DBO as at 31.03.2025	DBO as at 31.03.2024
Sh. Dinesh Oswal	01-01-1987	15.84	15.08
Sh. Anil Kumar Garg	01-02-1993	20.00	19.54
Sh. Brij Sharma	11-09-1989	20.00	20.00


36. Reconciliation of Changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'

Particulars	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
A. Borrowings from Banks		
Balance at the begning of the period	28510.78	86590.69
Add:/Less Changes during the period		
(a) Changes from financing cash flows	-6421.84	1408.31
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) the effect of changes in foreign exchange rates	-	-
(d) changes in fair values	-	-
(e) other Changes	-	-
Balance at the end of the period	22088.94	87999.00
B. Deposits from body corporates		
Balance at the begning of the period	-	-
Add:/Less Changes during the period	-	-
(a) Changes from financing cash flows	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) the effect of changes in foreign exchange rates	-	-
(d) changes in fair values	-	-
(e) other Changes	-	-
Balance at the end of the period	-	-
* Inter Corpoarte Deposit Rs.6100 Lacs received & repaid during the year		

37. Earning Per Share

Basic/Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of Equity shares outstanding during the year. The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31st March 2025	31st March 2024
Profit/(Loss) after Taxation	1,235.25	(5,108.42)
Add/(Less): Adjustment of Income Tax earlier Years	(120.67)	115.44
Profit After adjustment of earlier year Income Tax	1,114.58	(4,992.98)
Weighted Avreage Number of Shares Issued	360.65	360.65
Earning Per Share in Rs. (Basic & Diluted)	3.09	(13.84)
(There are no potential equity shares)		
(Face Value of Rs. 5/- Share)		



38. Related Party Disclosure

Associates- Nil

Other Related Parties/Group Companies*

Nahar Capital & Financial Services Ltd., Nahar Poly Films Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Limited., Abhilash Growth Fund (P) Ltd., Monica Growth Fund(P) Ltd., Monte Carlo Fashions Ltd., Oswal Foundation. Closetrunk Pvt Ltd. Sankeshwar Holding Company Ltd., OWM Poly yarns Ltd..

Key Management personnel

- Sh. Dinesh Oswal (Managing Director), Sh. Anil Kumar Garg (CFO), Sh. Brij Sharma (Company Secretary)

Relatives of KMP

- Sh. Jawahar Lal Oswal, Sh. Kamal Oswal, Mrs. Abhilash Oswal, Mrs. Ritu Oswal, Mr. Sambhav Oswal, and Ms. Tanvi Oswal

Directors/Independent Directors

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

(Rs. in Lacs)

Particulars	Other Related Parties/ Group Companies		Key management Personnel & their relative and Directors/Independent Directors				Total
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	
Purchase of Goods/Services	896.80	1,061.07	-	-	896.80	1,061.07	
Sale of Goods/Services	5,719.63	4,895.26	-	-	5,719.63	4,895.26	
Purchase of Fixed Assets	38.60	205.97	-	-	38.60	205.97	
Sale of Fixed Assets	-	2,800.18	-	-	-	2,800.18	
Rent Paid	34.99	34.57	4.32	4.32	39.31	38.89	
Interest Paid	119.37	3.34	-	-	119.37	3.34	
Rent Received	118.14	122.95	13.55	12.85	131.69	135.80	
On other account paid	68.76	60.34	-	-	68.76	60.34	
On other account received	233.13	117.21	-	-	233.13	117.21	
Contribution towards CSR Expenses/advance	501.51	510.50	-	-	501.51	510.50	
Sale of Export Licence	154.86	398.88	-	-	154.86	398.88	
Inter-corporate Loans Taken	6,100.00	650.00	-	-	6,100.00	650.00	
Inter-corporate Loans Repaid	6,100.00	650.00	-	-	6,100.00	650.00	
Inter-corporate Loans Given	-	-	-	-	-	-	
Inter-corporate Loans Received Back	-	-	-	-	-	-	
Inter-corporate Loans Outstanding	-	-	-	-	-	-	
Director Sitting Fee	-	-	3.60	3.40	3.60	3.40	
Commission	-	-	955.52	913.84	955.52	913.84	
Managerial Remuneration/Perquisites	-	-	1,586.44	1,488.70	1,586.44	1,488.70	
Salary	-	-	402.78	377.61	402.78	377.61	
Balance Receivable	1,776.49	831.03	-	-	1,776.49	831.03	
Balance Payable	-	-	65.14	238.21	65.14	238.21	

* All transactions are inclusive of taxes wherever applicable



39. Fair value measurement
(a) Financial instruments by category
For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	629.10	11,254.43	2,000.01	796.42	10,614.84	2,000.01
Trade receivables	-	-	61,843.47	-	-	42,837.84
Security deposit	-	-	3,608.14	-	-	3,534.65
Other financial assets	-	-	102.07	-	-	112.15
Cash and equivalents	-	-	3,260.55	-	-	90.17
Other bank balances	-	-	55.11	-	-	63.86
Total	629.10	11,254.43	70,869.35	796.42	10,614.84	48,638.68
Financial liabilities						
Borrowings(excluding current maturities of long term debts)	-	-	1,06,507.47	-	-	1,08,397.09
Trade payable	-	-	2,556.56	-	-	2,715.25
Other financial liabilities	-	-	84.20	-	-	257.58
Total	-	-	1,09,148.23	-	-	1,11,369.92



(b) Fair value measurement hierarchy for assets and liabilities

The Company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value recurring fair value measurements	31 March 2025			31 March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Particulars						
Financial assets						
Investments	11,639.06	-	2,244.48	11,123.04	-	2,288.23
Total financial assets	11,639.06	-	2,244.48	11,123.04	-	2,288.23
Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31 March 2025			31 March 2024		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Trade receivables			61,843.47			42,837.84
Security deposit	-	-	3,608.14	-	-	3,534.65
Other financial assets	-	-	102.07	-	-	112.15
Cash and equivalents	-	-	3,260.55	-	-	90.17
Other bank balances	-	-	55.11	-	-	63.86
Total financial assets	-	-	68,869.34	-	-	46,638.67
Financial liabilities						
Borrowings(excluding current maturities of long term debts)			1,06,507.47			1,08,397.09
Trade payable			2,556.56			2,715.25
Other financial liabilities	-	-	84.20	-	-	257.58
Total	-	-	1,09,148.23	-	-	1,11,369.92

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.


(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2025		31 March 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposit	3,608.14	3,608.14	3,534.65	3,534.65
Total financial assets	3,608.14	3,608.14	3,534.65	3,534.65
Financial liabilities				
Borrowings (excluding current maturities of long term debt)	1,06,507.47	1,06,507.47	1,08,397.09	1,08,397.09
Retention Money	28.90	28.90	190.56	190.56
Total financial liabilities	1,06,536.37	1,06,536.37	1,08,587.65	1,08,587.65

The carrying amounts of trade receivables, trade payables, advances to employees, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to short term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

40. Other Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**41. Key Ratios**

Sr. No.	RATIO	Numerator	Denominator	31.03.2025	31.03.2024	% Variance	Reason for Variance
1	Current ratio (in times)	Total current assets	Total current liabilities	1.64	1.50	9%	Not required as variance below 25%
2	Debt-Equity ratio (in times)	Debt consists of total borrowings	Total equity	0.74	0.78	-5%	Not required as variance below 25%
3	Debt service coverage ration (in times)	Earning for Debt Service=Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest + Principal repayments	1.22	0.90	36%	Due to increase in profitability
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average Total equity	0.01	-0.03	-133%	Due to increase in profitability
5	Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory	3.32	3.19	4%	Not required as variance below 25%
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.28	8.21	-24%	Not required as variance below 25%
7	Trade payables turnover ratio (in times)	Net Credit Purchases	Average trade payables	81.55	43.50	87%	Due to decrease in purchases
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital	4.96	5.21	-5%	Not required as variance below 25%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	0.38	-1.67	-123%	Due to increase in profitability
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed= Net worth + Total debts+ Deferred tax liabilities)	0.04	0.00	1700%	Due to increase in profitability
11	Return on investment (in %)	Income generated from invested funds	Average cost invested funds in investments	0.03	0.03	0%	Not required as variance below 25%



Notes



Performance At A Glance

Rupees in Lacs

SR. NO.	PARTICULARS	2020-21	2021-22	2022-23	2023-24	2024-25
1	OPERATING INCOME	211186	359386	279691	305001	328456
2	EXPORTS	114634	217553	113516	162516	163453
3	OTHER INCOME	696	1451	4431	1555	3435
4	GROSS PROFIT(Before Interest & Dep)	20081	81841	25278	9325	19055
5	PROFIT AFTER TAX	4141	50219	11079	-5108	1235
6	CASH ACCRUALS (Before Tax & Dep.)	13555	75018	22290	2709	11635
7	GROSS BLOCK	125935	136216	151270	168094	172221
8	NET BLOCK	72399	75208	83778	91775	86417
9	SHARE CAPITAL (PAID UP)	1805	1805	1805	1805	1805
10	NET WORTH	89791	160056	155389	148117	148936
11	DEFERRED TAX LIABILITIES	2296	5309	3219	1966	3003
12	CURRENT RATIO	1.24	1.56	1.89	1.50	1.64
13	BOOK VALUE PER SHARE	248.97	443.80	430.86	410.69	412.97
14	EARNING PER SHARE (BASIC)	11.33	139.50	32.24	-13.84	3.09
15	FACE VALUE (PAID UP)	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5
16	DIVIDEND	30%	*Interim 30%	30%	20%	20%
* (Paid in November 2021)			Final 40%			

Glimpse of CSR Project under taken by Oswal Foundation



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