

28<sup>th</sup>  
Annual Report  
April 2023 – March 2024



**Reliance**  
Jute Mills (International) Ltd.

## Corporate Information as on 16<sup>th</sup> May, 2024

<b>BOARD OF DIRECTORS</b>	:	<b>Shri Surendra Kumar Agarwal</b> ... <b>Executive Chairman</b> <b>Shri Sunil Jain</b> ... <b>Managing Director</b> <b>Shri Mayank Goyal</b> ... <b>Director</b> <b>Shri Akhil Jain</b> ... <b>Director</b> <b>Shri Puspendu Chattopadhyay</b> ... <b>Whole-time Director</b> <b>Shri Sudhir Kumar</b> ... <b>Independent Director</b> <b>Shri Mohan Lal Agarwal</b> ... <b>Independent Director</b> <b>Smt. Frenny Megotia</b> ... <b>Independent Director</b>								
<b>COMPANY SECRETARY</b>	:	<b>Shri Rahul Agarwal</b>								
<b>REGISTERED OFFICE</b>	:	<b>13/C, Kashinath Mullick Lane</b> <b>1<sup>st</sup> Floor, Kolkata-700073</b> <b>E-mail : financeho@reliancejute.com</b> <b>Website: www.reliancejute.com</b> <b>CIN: L17125WB1996PLC081382</b> <b>ISIN: INE297E01016</b>								
<b>WORKS</b>	:	<b>Reliance Jute Mills</b> <b>80, West Ghosh Para Road</b> <b>Bhatpara</b> <b>24 Parganas (North)</b> <b>West Bengal-743 123</b>								
<b>AUDITORS</b>	:	<b>M/s. Anand Gupta &amp; Associates</b> <b>Chartered Accountants</b> <b>Firm Registration No. 330186E</b> <b>Victory House, 1<sup>st</sup> Floor</b> <b>1, Ganesh Chandra Avenue</b> <b>Kolkata-700013</b> <b>Email: agassociates1997@gmail.com</b>								
<b>REGISTRAR</b>	:	<b>S. K. Infosolutions Private Limited</b> <b>CIN:U72300WB1999PTC090120</b> <b>D/42, Katju Nagar Colony</b> <b>Near South City Mall</b> <b>PO &amp; PS-Jadavpur</b> <b>Kolkata-700032</b> <b>Tel: 033-2412 0027/2412 0029</b> <b>Email: contact@skcinfo.com, skcdilip@gmail.com</b>								
<b>BANKERS</b>	:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"><b>Punjab National Bank</b></td> <td style="width: 50%; border: none;"><b>ICICI Bank Limited</b></td> </tr> <tr> <td style="border: none;"><b>BRBB Road Branch</b></td> <td style="border: none;"><b>R. N. Mukherjee Road Branch</b></td> </tr> <tr> <td style="border: none;"><b>135, BRBB Road</b></td> <td style="border: none;"><b>38, Hemant Basu Sarani</b></td> </tr> <tr> <td style="border: none;"><b>Kolkata-700 001</b></td> <td style="border: none;"><b>Kolkata-700001</b></td> </tr> </table>	<b>Punjab National Bank</b>	<b>ICICI Bank Limited</b>	<b>BRBB Road Branch</b>	<b>R. N. Mukherjee Road Branch</b>	<b>135, BRBB Road</b>	<b>38, Hemant Basu Sarani</b>	<b>Kolkata-700 001</b>	<b>Kolkata-700001</b>
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<b>Kolkata-700 001</b>	<b>Kolkata-700001</b>									
<b>LISTING OF SHARES</b>	:	<b>The Calcutta Stock Exchange Limited</b> <b>7, Lyons Range</b> <b>Kolkata-700 001</b>								

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## RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

[CIN: L17125WB1996PLC081382]

Registered Office: 13/C, Kashinath Mullick Lane, 1<sup>st</sup> Floor, Kolkata-700073

Telephone: +91 33 48026946, Email: [financeho@reliancejute.com](mailto:financeho@reliancejute.com)

Website: [www.reliancejute.com](http://www.reliancejute.com)

### NOTICE OF 28<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Members of Reliance Jute Mills (International) Limited ("the Company") will be held on **Friday, the 27<sup>th</sup> September, 2024 at 4.00 p.m. (IST)** through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 13/C, Kashinath Mullick Lane, 1<sup>st</sup> Floor, Kolkata-700073.

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Shri Akhil Jain (DIN: 06635949), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

3. **Appointment of Shri Puspendu Chattopadhyay (DIN: 05276483) as a Whole-time Director of the Company and approval of his remuneration.**

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

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, Board of Directors and in accordance with the provisions of Sections 196, 196(3), 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the Company and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded for the appointment of Shri Puspendu Chattopadhyay (DIN: 05276483) as Whole-time Director of the Company who has attained the age of 70 years, for a period of 2 years commencing from 1<sup>st</sup> October, 2024 to 30<sup>th</sup> September 2026 and whose office shall be liable to determination by retirement of Directors by rotation, at a remuneration not exceeding Rs. 60,000/- per month with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board and Shri Puspendu Chattopadhyay.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of the said Whole-time Director, the Company has no profits or its profit are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (including its Nomination and Remuneration Committee) be and is hereby authorized to modify the terms and conditions of appointment / remuneration or the scale or any other perquisites payable within the limit permitted, as they may deem fit and proper and as may be acceptable to Shri Puspendu Chattopadhyay from time to time without any further reference to the members of the Company in the General meeting;

**RESOLVED FURTHER THAT** the Chairman and the Managing Director of the Company be and is hereby severally authorized to sign and execute agreement / amendment and other necessary papers as regards to the amendment of the Service / Employment Agreement of Shri Puspendu Chattopadhyay, Whole-time Director of the Company and to do all such acts, deeds, matters and things including but not limited to filing of requisite application/forms/reports etc. with the Ministry of Corporate Affairs or with such other Statutory Authorities as may be required to give effect to the said resolution.”

**4. Adoption of New Set of Memorandum of Association.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, and subject to such other approvals as may be necessary, the draft clauses contained in the Memorandum of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the Company with immediate effect.

**RESOLVED FURTHER THAT** Shri. Surendra Kumar Agarwal, Executive Chairman, Shri Sushil Jain, Managing Director, Shri Mayank Goyal, Director and Shri Akhil Jain, Director, of the Company, be and are hereby severally authorised to file, sign, verify and execute all such e-forms, papers or documents, as may be required and to do all such acts, deeds, matters and things as may be necessary and incidental thereto for giving effect to this resolution, including agreeing to any change to the aforesaid changes in the Memorandum of Association of the Company, as may be required by the Registrar of Companies and /or any Statutory/Regulatory Authority.

**5. Adoption of New Set of Articles of Association.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 5 and 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and subject to such other approvals as may be necessary, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company with immediate effect.

**RESOLVED FURTHER THAT** Shri. Surendra Kumar Agarwal, Executive Chairman, Shri Sushil Jain, Managing Director, Shri Mayank Goyal, Director and Shri Akhil Jain, Director of the Company, be and are hereby severally authorised to file, sign, verify and execute all such e-forms, papers or documents, as may be required and to do all such acts, deeds, matters and things as may be necessary and incidental thereto for giving effect to this resolution, including agreeing to any change to the aforesaid changes in the Memorandum of Association of the Company, as may be required by the Registrar of Companies and /or any Statutory/Regulatory Authority.

## 6. Ratification of Cost Auditor's Remuneration

To consider and if thought fit to pass with or without modification(s), the following resolutions 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 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs.30,000/- (Rupees Thirty Thousand) only plus applicable taxes, travel and out of pocket expenses incurred in connection with the audit as approved by the Board of Directors payable to M/s. N. Radhakrishnan & Co., *Cost Accountants*, (Firm Registration No. 000056) who are appointed as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2025,"

## NOTES:

### VIRTUAL MEETING

1. The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 ("MCA Circulars"), has allowed the Company to conduct Annual General Meeting ("AGM") till 30<sup>th</sup> September, 2024 through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') without physical presence of Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and MCA Circulars, the 28<sup>th</sup> AGM of the Company is being held through VC/OAVM on **Friday, the 27<sup>th</sup> September, 2024 at 4.00 p.m.** Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under 103 of the Act.
2. **IN TERMS OF CIRCULARS, THE REQUIREMENT OF SENDING PROXY FORMS TO THE SHAREHOLDERS AS PER SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE. THE VENUE OF THE AGM SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY.**

### AUTHORISED REPRESENTATIVE

3. Institutional/Corporate Members (i.e. other than individuals, HUFs, NRIs, etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through remote e-voting. Institutional/Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutinizer at [cs.kanchanyadav@gmail.com](mailto:cs.kanchanyadav@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional/Corporate Members can also upload their Board Resolutions/Power of Attorney/Authority Letter, etc. by clicking on 'Upload Board Resolutions/Authority Letter', etc. displayed under 'e-Voting' tab in their Login.

### ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID AND FOR OBTAINING COPY OF ANNUAL REPORT:

4. To support the 'Green Initiative' Members who have not yet registered their email address are required to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

5. In accordance with the Circulars the Notice of the AGM along with the Annual Report 2023-24 will be sent only through email, to those Members whose e-mail addresses are registered with the Company/Depositories/Registrar & Share Transfer Agent ('RTA') i.e. S. K. Infosolutions Private Limited unless any Member has requested for physical copy of the same. The Notice of AGM and Annual Report 2023-24 shall be available on the Company's website at [www.reliancejute.com](http://www.reliancejute.com) and may also be accessed from the relevant section of the websites of the Stock Exchange i.e. The Calcutta Stock Exchange Limited at [www.cse-india.com](http://www.cse-india.com). The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. Those Members who are holding shares in physical form and have not updated their e-mail ids with the Company, are requested to update the same by submitting a duly filled and signed **Form ISR-1** along with self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Voter Identity Card, Passport) in support of the address of the Member, to the Company/RTA at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) or [contact@skcinfo.com](mailto:contact@skcinfo.com) or [skcdili@gmail.com](mailto:skcdili@gmail.com).
7. Members holding shares in dematerialised (demat) mode are requested to register/update their e-mail ids with their relevant DPs. In case of any queries/difficulties in registering the e-mail ids, Members may write to the Company/RTA at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) or [contact@skcinfo.com](mailto:contact@skcinfo.com) or [skcdili@gmail.com](mailto:skcdili@gmail.com).
8. Alternatively, those Members who have not registered their email address are requested to send an email request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) along with the following documents for procuring user id and password for e-voting for the resolutions set out in this notice.
  - ❖ In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back) self-attested scanned copy of PAN Card, self-attested scanned copy of Aadhar Card.
  - ❖ In case shares are held in demat mode, please provide DP ID/Client ID (8-digit DP ID + 8-digit Client ID or 16-digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, self-attested scanned copy of PAN Card, self-attested scanned copy of Aadhar Card.
9. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/RTA to enable serving of notices/documents/Annual Reports and other communications electronically to their email ID in future.

## EXPLANATORY STATEMENT

10. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business under Item Nos. 3 to 5 set out above and relevant details of the Director seeking re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declaration has been received from the Director seeking appointment/re-appointment.

## PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM

11. The Company has engaged the services of National Securities Depository Limited ('NSDL') as the Agency for providing a-Voting facility (remote e-voting and voting at AGM) to the Members of the Company in order to cast their votes electronically in terms of the aforesaid MCA Circulars.
12. Members will be able to attend the AGM through VC/OAVM or view the live webcast of the AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the EVEN of the Company. **Further details in this regard are annexed separately and form part of this Notice.**

## PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

13. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the authorised agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
14. The Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories **as on Friday, the 20<sup>th</sup> September, 2024 ('cut-off date')** are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the **cut-off date**. A person who is not a member as on the **cut-off date** should treat this Notice of AGM for information purpose only.
15. Members may cast their votes through electronic voting system from any place (remote e-voting). The remote e-voting period will commence at **9.00 a.m. (IST) on Tuesday, 24<sup>th</sup> September, 2024 and will end at 5.00 p.m. (IST) on Thursday, 24<sup>th</sup> September, 2024**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
16. 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 for 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.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. The detailed instructions and the process for accessing and participating in the 28<sup>th</sup> AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on 'e-voting facility provided by Listed Companies', e-voting process has been enabled for all the individual demat account holders, through their demat account maintained with DPs. Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.



The instructions for members for remote e-voting and joining general meeting are as under: -

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**





<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 -225-533.</p>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 [financeho@reliancejute.com](mailto:financeho@reliancejute.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [financeho@reliancejute.com](mailto:financeho@reliancejute.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, E-mail ID, mobile number at [legal@reliancejute.com](mailto:legal@reliancejute.com). The same will be replied by the company suitably.

#### **PROCEDURE FOR INSPECTION OF DOCUMENTS**

19. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) from their registered email address mentioning their names and folio numbers / demat account numbers.

During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>.

#### **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS**

20. As the AGM is being conducted through VC/OAVM, the Members are encouraged to express their views/send their queries well in advance for smooth conduct of the AGM but not later than **5:00 P.M. (IST) Monday, 23<sup>rd</sup> September, 2024**, mentioning their names, folio numbers / demat account numbers, email addresses and mobile numbers at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) and only such questions / queries received by the Company till the said date and time shall be considered and responded during the AGM.

Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from **Friday, 20<sup>th</sup> September, 2024 (9:00 A.M. IST) to Monday, 23<sup>rd</sup> September, 2024 (5:00 P.M. IST)** at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) from their registered e-mail addresses mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. However, the Chairman of the Meeting / the Company reserves the right to restrict the number of speakers, time allotted and the number of questions, depending on the availability of time for the AGM and its smooth conduct.

Members seeking any information on the financial accounts, operations or any matter to be placed at the AGM, are requested to write to the Company **till 5:00 P.M. (IST) on Monday, 23<sup>rd</sup> September, 2024** through e-mail at [financeho@reliancejute.com](mailto:financeho@reliancejute.com) and the same will be suitably replied by the Company.

### BOOK CLOSURE PERIOD

21. The Register of Members and Share Transfer Books of the Company will be closed from **Saturday, 21<sup>st</sup> September, 2024 to Friday, 27<sup>th</sup> September, 2024 (both days inclusive)** for the purpose of this AGM.

### GENERAL INFORMATION

22. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
23. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022-4886 7000 or send a request to Mr. Amit Vishal, Deputy Vice President or Ms. Pallavi Mhatre, Senior Manager from NSDL at their designated e-mail IDs [amitv@nsdl.com](mailto:amitv@nsdl.com) or [pallavid@nsdl.com](mailto:pallavid@nsdl.com).
24. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2022/66 dated 24<sup>th</sup> January, 2022 has amended Regulation 40 of Listing Regulations, and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or the Company's RTA for assistance in this regard.
25. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTABM/P/CIR/2022/8 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in demat only while processing services, claim from unclaimed suspense account, renewal/exchange of securities certificates, sub-division/split and consolidation of securities certificate/folio, transmission, and transposition. Accordingly, Members are requested to make the mentioned service requests by submitting duly filled **Form ISR-4** which is also available on the website of the Company at [www.reliancejute.com](http://www.reliancejute.com).

### NORMS FOR FURNISHING OF PAN, KYC, BANK DETAILS AND NOMINATION

26. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023 issued in supersession of earlier circulars issued by SEBI bearing Nos. SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/687 dated 3<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021 respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank Account details and Specimen signature for their corresponding folio numbers of holders of physical securities.

Communication in this regard has been sent to all physical holders whose folios are not KYC updated at the latest available address/email-id. Members are once again requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, viz. ISR-1, ISR-2, ISR-3/SH-13, as applicable, duly complete and signed by the registered holder(s) so that the folios can be KYC updated. Forms for updating of PAN, KYC, Bank details and Nomination viz. Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI Circular are available on Company's website at [www.reliancejute.com](http://www.reliancejute.com). We urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

**Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after 31<sup>st</sup> December, 2025.**

27. Any person holding shares in physical form and non-individual Members who acquired shares of the Company and becomes a Member of the Company after despatch of the Notice and holding shares as of the **cut-off date i. e. Friday, the 20<sup>th</sup> September, 2024**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/RTA.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/Password' or 'Physical user Reset Password' option available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or by calling on 022 4886 7000 and 022 2499 7000. In case of Individual Members holding securities in Demat mode who acquire shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the **cut-off date i. e. Friday, the 20<sup>th</sup> September, 2024** may follow steps mentioned in the notes to the Notice under 'Access to NSDL e-Voting system'

28. The Company has appointed Smt. Kanchan Yadav of K Y & Associates, Practising Company Secretaries (Membership No. ACS 39862 and CP No. 14939), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

#### **DECLARATION OF VOTING RESULTS ON THE RESOLUTIONS**

29. The Scrutinizer shall, immediately after the completion of the scrutiny of the e-Voting (vote cast during the AGM and votes cast through remote e-Voting) within 2 working days from the conclusion of the AGM, submit a consolidate Scrutinizer's report of the total votes cast in favour and against the Resolution(s), invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorised by him in writing.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.reliancejute.com](http://www.reliancejute.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously submit the results to The Calcutta Stock Exchange Limited where the securities of the Company are listed and the same will be available at [www.cse-india.com](http://www.cse-india.com)

30. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., **Friday, 27<sup>th</sup> September, 2024**.

**By Order of the Board**

**Registered Office:**  
**13/C, Kashinath Mullick Lane, 1<sup>st</sup> Floor**  
**Kolkata-700073**  
**Dated the 10<sup>th</sup> day of August, 2024**

**(Rahul Agarwal)**  
**Company Secretary &**  
**Compliance Officer**



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI') (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ('LISTING REGULATIONS')**

The following statement sets out all material facts relating to the businesses mentioned in the accompanying Notice:

**Item Nos. 3**

**Appointment of Shri Puspendu Chattopadhyay (DIN: 06276483) as a Whole-time Director of the Company and approval of his remuneration**

Members of the Company in its meeting held on 10<sup>th</sup> August, 2022 had appointed Shri Puspendu Chattopadhyay as the Whole-time Director of the Company for a period of 2 (two) years effective from 2<sup>nd</sup> July, 2022 to 1<sup>st</sup> July, 2024. In view of this and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has re-appointed Shri Puspendu Chattopadhyay (DIN: 05276483) as Whole-time Director of the Company for a term of 2 (two) years effective from 1<sup>st</sup> October, 2024 to 30<sup>th</sup> September, 2026, subject to approval of the Members.

**Brief Profile:** Shri Puspendu Chattopadhyay, aged about 71 years, is B.Sc. and has completed General Management courses from IIM, Joka, Kolkata. He has expertise in jute manufacturing and marketing over a period of 40 years. He possesses the requisite knowledge, experience and skill for the position of Whole-time Director.

The material terms of remuneration are as follows:

**Remuneration:**

- a) **Salary:** Rs. 60,000/- per month.
- b) **Perquisites:** The Whole-time Director shall also be entitled to any other perquisite as may be decided by the Chairman from time to time subject to an amount equal to the annual salary. Perquisites shall be evaluated as per Income Tax rules, wherever applicable.

The remuneration mentioned above including the value of the perquisites will be subject to the overall ceilings laid down under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto.

- a) **Termination Clause:** The appointment shall be terminable by either party i.e. by the Company or by Whole-time Director by giving three months' notice.
- b) **Minimum Remuneration:** Notwithstanding anything mentioned herein, where in any financial year during the currency of the tenure of the appointment of Shri Puspendu Chattopadhyay, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above.
- c) Pursuant to the provisions of the Companies Act, 2013, Shri Puspendu Chattopadhyay shall be liable to retire by rotation and shall also be Key Managerial Personnel of the Company.
- d) No sitting fees shall be paid to the Whole-time Director for attending meetings of the Board of Directors or any Committee of the Board.
- e) In order to comply with the provision of Section 152 regarding number of Directors liable to retire by rotation, Shri Puspendu Chattopadhyay will be considered to be liable to retire by rotation.
- f) The Whole-time Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.



- g) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- h) The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.
- i) The Whole-time Director will be reimbursed by the Company of all entertainment and other expenses actually incurred by him in connection with the business of the Company subject, however, to such limits as may be fixed by the Chairman from time to time.
- j) The Whole-time Director will not, so long as he functions as a Whole-time Director, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future. His appointment shall cease on any contravention of this condition.

Shri Puspendu Chattopadhyay satisfies all the conditions set out in Part-I of Schedule V to the Act as Whole-time Director and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The relevant complete resolution passed by the Board of Directors, the draft of the agreement are available for inspection by the Members at the Registered Office of the Company on any working day (except Sundays and Public Holidays) between 11 a.m. and 3.00 p.m. up to the date of the Annual General Meeting.

In view of the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, the Board recommends the **Special Resolution** set out at **item No. 3** of the accompanying Notice for the approval of the Members.

Except for Shri Puspendu Chattopadhyay, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed **Special Resolution** as set out in **Item No. 3** of this Notice.

#### **Item No. 4 and 5**

The existing Memorandum and Article of Association of the Company was re-adopted in the Annual General Meeting of the Company held on 28<sup>th</sup> August, 2015 by aligning the same as per the provisions of the Companies Act, 2013 but it requires further amendments and editorial changes of its various clauses which have either been amended or are irrelevant for the Company. The Board by way of resolutions passed in its meeting held on **10<sup>th</sup> August, 2024** has approved the adoption of amended and restated Memorandum and Articles of Association of the Company, subject to the approval of the Members of the Company at the ensuing Annual General Meeting.

It is proposed to adopt the clauses and articles contained in the amended and restated Memorandum and Articles of Association in substitution of and to the entire exclusion of the clauses and articles contained in the existing Memorandum and Articles of Association of the Company.

Pursuant to Sections 13 & 14 and other applicable provisions, if any, of the Act, approval of the Members of the Company is required to adopt amended and restated Memorandum and Articles of Association of the Company. The Board recommends adoption of the resolution set out in **Resolutions No. 4 and 5** of the accompanying Notice as a **Special Resolution**. A copy of Memorandum and Articles of Association of the Company with the proposed alteration is available for inspection at the Registered Office of the Company at any working day during business hours.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors of the Company or the relatives of any Key Managerial Personnel is, in anyway, concerned or interested, financially or otherwise, in the above resolutions.

**Item No. 6:**

The Board of Directors, on recommendation of the Audit Committee, has approved the appointment of M/s. N. Radhakrishnan & Co., *Cost Accountants*, as Cost Auditors to conduct the audit of the cost accounts and cost records maintained by the Company in respect of its products for the financial year ended 31<sup>st</sup> March, 2024.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an **Ordinary Resolution** as set out at **Item No. 6** of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31<sup>st</sup> March, 2024.

The Board recommends the approval of the remuneration payable to M/s N. Radhakrishnan & Co., *Cost Accountants* for conducting the cost audit and passing of the **Ordinary Resolution** set out at **Item No. 6** of the Notice.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the passing of the Resolutions.

**Annexure 1 to the Notice and Statement**

**INFORMATION RELATING TO DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT AT THE 28<sup>TH</sup> ANNUAL GENERAL MEETING AND/OR SEEKING FIXATION /VARIATION OF REMUNERATION**

As per the requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2 (Revised) as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name of the Directors	Shri Akhil Jain	Shri Puspendu Chattopadhyay
Category of Director/ Designation / Position in the Company	Non-Executive Director in Promoter Category.	Whole-time Director
DIN	06635949	05276483
Date of Birth/Age	31-10-1987	01-10-1952
Profile/Background Details, Recognition or Awards	Shri Akhil Jain is B. Com., MBA and has over 10 years of experience in the area of marketing.	Shri Puspendu Chattopadhyay is B.Sc. and General Management from IIM, Joka, Kolkata. He has expertise in jute manufacturing and marketing over a period of 40 years.
Qualifications	B. Com., MBA	B. Sc., General Management from IIM, Joka, Kolkata.

<b>Experience and Expertise in specific functional area</b>	Shri Akhil Jain has over 12 years of experience in the area of marketing.	He has expertise in jute manufacturing and marketing over a period of 40 years.
<b>Terms and conditions of appointment or re-appointment</b>	His appointment as Director is liable to determination by retirement of Directors by rotation.	His appointment as Whole-time Director of the Company is for a period of 2(two) years and his office shall be liable to determination by retirement of Directors by rotation
<b>Remuneration last drawn by such person, if applicable</b>	Not applicable.	Not applicable.
<b>Remuneration sought to be paid</b>	Not applicable.	Rs.60,000/- per month
<b>Date of First Appointment (appointment as an Additional Director on the Board)</b>	22.06.2022	02.07.2022
<b>Membership/Chairmanship of Committees of the Board of the Company –Reliance Jute Mills (International) Limited</b>	Member-Nomination and Remuneration Committee Meeting	Nil
<b>Director in Unlisted Companies (excluding foreign companies) and Membership/Chairmanship of Committees of such Boards</b>	<ul style="list-style-type: none"> <li>• Anupam Nirman Pvt. Ltd.</li> <li>• TVL Engineers Pvt. Ltd.</li> <li>• Shyamrai Ecopack Pvt. Ltd.</li> <li>• Unity Nirman Pvt. Ltd.</li> <li>• Jagjanani Sales Pvt. Ltd.</li> </ul>	Nil
<b>No. of Shares held in the Company</b>	Shri Akhil Jain holds 2,70,386 equity shares representing 10.44% of the total paid-up equity share capital of the Company as on date	Shri Puspendu Chattopadhyay doesn't hold any share in the Company.
<b>Relationship with other Directors, Manager and other KMP of the Company</b>	Shri Akhil Jain, except his father Shri Sunil Jain, is not related to any existing Directors, Manager and other KMP of the Company	Shri Puspendu Chattopadhyay is not related to any Directors, Manager and other KMP of the Company.
<b>No. of Meetings of the Board attended during the year</b>	4(Four)	4(Four)

## BOARD'S REPORT TO THE MEMBERS

CIN: L17125WB1996PLC081382

**Dear Members,**

Your directors have pleasure in presenting the 28<sup>th</sup> Annual Report covering the operational and financial performance of the Company along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2024.

### FINANCIAL HIGHLIGHTS & SUMMARY

(Amount Rs. in Lacs)

Particulars	Year ended on 31 <sup>st</sup> March, 2024 (Audited)	Year ended on 31 <sup>st</sup> March, 2023 (Audited)
Revenue from operations	33,492	30,457
Other Income	86	13
<b>Total</b>	<b>33,578</b>	<b>30,470</b>
Profit/(Loss) before Exceptional items & Taxation	173	(1,082)
Exceptional item	(54)	62
Profit/(Loss) before Taxation	119	(1,020)
Provision for Taxation	(2,690)	2
Net Profit/(Loss)	2,809	(1,022)
Other Comprehensive Income / (Loss) (net of tax)	(69)	135
<b>Total Comprehensive Income / (Loss)</b>	<b>2,740</b>	<b>(887)</b>

Your Company has prepared the Financial Statements for the year ended 31<sup>st</sup> March, 2024 in terms of Sections 129, 133 and Schedule III to the Companies Act, 2013, as amended ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### DIVIDEND

Your directors don't recommend dividend on equity shares in view of the loss incurred during the year and non-availability of any carry forward surplus.

### GENERAL RESERVE

Your Company has not transferred any amount to the General Reserve during the financial year ended 31<sup>st</sup> March, 2024.

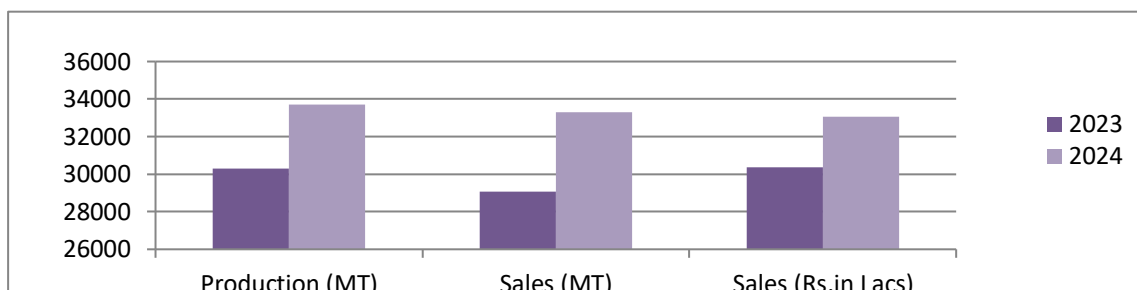
### SHARE CAPITAL

The Authorised Share Capital of the Company as on 31<sup>st</sup> March, 2024 stood at Rs.18,01,00,000 divided into 1,00,10,000 equity shares of Rs.10 each and 8,00,000 6% Redeemable Cumulative Preference Shares of Rs.100 each. The Issued, Subscribed and Paid-up Share Capital of the Company is Rs.7,58,94,900 divided into 25,89,490 equity shares of Rs. 10 each and 5,00,000 6% Redeemable Cumulative Preference Shares of Rs.100 each.

## OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The production and sales during the year under review and the previous year stand as follows:

Particulars	Year ended on 31 <sup>st</sup> March, 2024 (Audited)	Year ended on 31 <sup>st</sup> March, 2023 (Audited)	Percentage increase
Production Quantity (MT)	33,713	30,307	11.24%
Sales Quantity (MT)	33,292	29,086	14.46%
Sales Value (Rs. in Lacs)	33,072	30,359	8.94%



It is evident from the above that Production and Sales in terms of Quantity as well as in Value stood at 33,713 MT, 33,292 MT and Rs. 33,072 lacs during the year under review as compared to 30,307 MT, 29,086 MT and Rs. 30,359 lacs in the previous year thereby registering a growth of 11.24%, 14.46% and 8.94% respectively over the previous year.

The suspension of work at Mill which was declared by the Management on and from 1<sup>st</sup> November, 2023 due to labour unrest continued till 26<sup>th</sup> November, 2023 and it was lifted from 27<sup>th</sup> November, 2023 in phased manner. The full operation at the Mill resumed with effect from 3<sup>rd</sup> December, 2023. Despite loss of production during suspension period, the company has been able to register a growth of 11.24% over the production of the previous year.

There has been clear sign of improvement in production, productivity and efficiency at Mill, particularly from the last quarter of the year under review, due to the steps taken by the Management in the previous years. The Management is focussing to maintain consistency in improvement in productivity and efficiency of the work force employed at the Mill apart from its modernization by way of installation of modern machinery and renovation of the old ones.

Demand of sacking bags by the Government Agencies is expected to remain stable. The Company is making efforts to explore new export markets for traditional and diversified jute products.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### a) Industry structure and developments:

The share of the jute industry to the national economy has been exceptional. Despite all adversities and problems, the cultivation and production of jute and its products in India has continued to go up and so has its demand due to diversified as well as traditional products being produced in large quantities. The jute sector produces products ranging from low value geo-textile to high end jute made ups including sacking, hessian, yarn, decorative fabrics etc. There is a strong basic structure for the jute industry available in India. It is pertinent to mention here that the jute industry is fully dependent on the natural jute fibre, which is an annually renewable agro supply that cannot be replaced economically by any other fibre. Jute has been the most versatile natural fibre.

Considering the enormous economic importance of the jute sector in the national economy, the Government of India has been very cautious to protect this industry. National Jute Board (NJB) (erstwhile JMDC) was established as a constitutional body to channelize the funds for institutions like IJIRA as also to give specific marketing initiatives out of the cess funds.

The development of natural fibre and agro-based jute industry fulfils the purpose of sustainable economic progress and human advancement. This will facilitate us to undertake a quite substantial development plan in the jute sector both in terms of raw jute production and production of jute goods, which will help considerably in shrinking cost also.

**b) Opportunity and Threats /Risks and Concerns**

Jute is a natural fibre obtained from the bark of the white jute plant or the tossa jute plant. It is also known as the golden fibre owing to its golden and silky shine, and is extensively used in the manufacturing of packaging products and textiles. As a packaging material, jute offers advantages such as good insulation, low thermal conductivity and moderate moisture retention. On account of this, jute bags are used as packaging material for bulk goods as well as shopping and gift bags.

In the present perspective of increasing approval of ecological and environmental interests, the jute sector in India is likely to play an important role for development of the economy, only if there is sufficient and real respect for the environmental interests and the need to generate employment openings. The global jute shopping bag industry is currently at a nascent stage with encouraging growth aspects. The demand for jute bags has witnessed a surge over the past few years, particularly in the European Union.

The Indian jute industry is having plenty of opportunity by its side; it is not only one of the oldest industries of India but also among the major employer of the nation. There are a lot of strengths and also much chance to seize them but it could only be done if it overcomes its weaknesses and threats.

The Government of India has approved compulsory packaging of 100% of food grains and 20% of sugar in jute bags under the Jute Packaging Material (JPM) Act, 1987 which has been effective from 1 July 2023 and shall remain in force till 30 June 2024.

The following areas of risks and concerns continue to pose threat to Jute Industry.

- ✓ Threat of dilution from the Government by amending JPMA Guidelines. .
- ✓ Cut throat competition from Bangladesh in export market which continues to enjoy benefits in the form of lower costs and government subsidies.
- ✓ Further decline in Global markets due to extraneous geo-political reasons.
- ✓ Increase in wage cost without linking to productivity which constitutes high proportion of production costs in a labour-intensive industry.
- ✓ Shortage of raw jute due to unfavourable weather conditions.

**c) Segment-wise or Product-wise Performance**

Jute goods remain the Company's only area of business in the year under review, hence requires no disclosure under AS 17 in respect of business segment.

**d) Outlook**

Production of jute crop is largely dependent on monsoon. Jute crop during the current year seems to be normal. Moreover, for the financial year 2024-25, the Government of India has increased the minimum support price (MSP) for raw jute by Rs 285 per quintal. As a result, raw jute prices are expected to be on higher side in comparison to the previous year. Accordingly, the price of jute products seems to surge during the current financial year.

Indian jute industry is largely dependent on captive demand for sacking due to the Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987. The government demand seems to be normal. The Company expects to supply the requirement during 2024-25.

The world is suffering from high rate of inflation and recession due to armed conflicts in different parts of the world which is effecting the world economy. Uncertainty is continuing in almost whole world due to geo-politics which is adversely affecting the world economy.

However, it is encouraging to note that almost all renowned international agencies have been forecasting that there will be the least impact of recession on Indian economy. At present Indian economy is the fastest growing economy in the world and this trend is likely to continue in years to come. Under such circumstances, our expectations are high to achieve our goals set for the performance of the Company.

**e) Internal control system and their adequacy**

The Company has an adequate system of internal control which not only ensures proper and timely recording and reporting of transactions but also provide avenue for exercising effective safeguards over Company's assets. For this purpose, the Company has appointed independent Internal Auditors. Observations of Internal Auditors are circulated to Senior Management for their perusal and necessary action. Corrective actions are taken as per requirements. In consultation with Internal Auditors, the Audit Committee formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The Internal Audit Report is reviewed periodically by the Key Managerial Personnel and the Audit Committee.

**f) Discussion on Financial Performance with respect to Operational Performance**

The suspension of work at Mill which was declared by the Management on and from 1<sup>st</sup> November, 2023 due to labour unrest continued till 26<sup>th</sup> November, 2023 and it was lifted from 27<sup>th</sup> November, 2023 in phased manner. The full operation at the Mill resumed with effect from 3<sup>rd</sup> December, 2023. Despite loss of production during suspension period, the company has been able to register a growth of 11.24% over the production of the previous year.

**g) Material Development in Human Resources/Industrial Relations front, including number of people employed**

Industrial relations remained more or less cordial during the year under review. The Company provides benefits and facilities to deserving staffs. Workers employed at new scale are imparted with in-house training to bring all round improvement in their working knowledge and skill. Collective participation is encouraged at all level and workers are given incentive for good performance. Labour issues are mostly addressed by negotiations and conciliation.

**h) Cautionary Statement**

Statement made above in this section of the report with regard to future outlook and performance is on the basis of prevailing industry scenario and market conditions as envisaged by us. Actual results may differ materially from those expressed in the statement.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT**

Except those disclosed in this Annual Report, there has been no material changes and/or commitments which may affect the financial position of the Company between the end of the financial year, i.e. 31<sup>st</sup> March, 2024 and the date of this Report.

**CREDIT RATING**

The various credit facilities provided by Punjab National Bank to the Company has been restructured w.e.f. 29<sup>th</sup> September, 2021 based on their internal credit rating and accordingly, entire fund-based limit has been converted into working capital term loan while non-fund based limit continue to be the same. Hence, credit rating from external agency was not required to be carried out during the year under review. Moreover, the Company has availed working capital term loan and cash credit facilities from ICICI Bank Limited based on their internal credit rating.



## DEPOSITS

Your Company has not accepted any deposits covered under 'Chapter V – Acceptance of Deposits by Companies' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year ended 31<sup>st</sup> March, 2024.

## BOARD OF DIRECTORS

No Director has been appointed or resigned during the year under review.

### Executive Chairman

Shri Surendra Kumar Agarwal, (holding DIN: 00464907) was appointed as Executive Chairman of the Company with effect from 2<sup>nd</sup> July, 2022 and his present term of appointment as Executive Chairman will be completed on 1<sup>st</sup> July, 2027.

### Managing Director

Shri Sunil Jain, (holding DIN: 00486597) was appointed as Managing Director of the Company with effect from 2<sup>nd</sup> July, 2022 and his present term of appointment will be completed on 1<sup>st</sup> July, 2027.

### Whole-time Director

Shri Puspendu Chattopadhyay, (holding DIN: 05276483), was appointed as Whole-time Director of the Company with effect from 2<sup>nd</sup> July, 2022 and his present term of appointment will be completed on 1<sup>st</sup> July, 2024.

### Non-Executive Directors

Shri Mayank Goyal (holding DIN: 06476192), was appointed as Director of the Company with effect from 22<sup>nd</sup> June, 2022 and his period of office is liable to determination by retirement of Directors by rotation. Accordingly, he retired at previous Annual General Meeting and being eligible, offered himself for re-appointment and was re-appointed as Director by the members of the Company.

Shri Akhil Jain (holding DIN: 06635949), was appointed as Director with effect from 22<sup>nd</sup> June, 2022 and his period of office is liable to determination by retirement of Directors by rotation.

### Director seeking re-appointment

Shri Akhil Jain (holding DIN: 06635949), Non-Executive Non-Independent Director of your Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment. Your Board recommends his re-appointment as a Director (Non-Executive Non-Independent) of your Company liable to retire by rotation. Other details together with necessary disclosure(s) in respect of Shri Akhil Jain have been given in the Notice convening the 28<sup>th</sup> Annual General meeting of the Company.

### Non-Executive Independent Directors

Shri Sudhir Kumar, Shri Mohan Lal Agarwal and Smt. Frenny Megotia were appointed as Non-Executive Independent Directors of the Company for a period of five years. The present term of their appointment will expire on 1<sup>st</sup> July, 2027.

### Woman Director

The appointment of Smt. Frenny Megotia as Non-Executive Independent Director comply with the provisions under Section 149(1) of the Companies Act, 2013 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Statement of Declarations Given by Independent Directors

Shri Sudhir Kumar, Shri Mohan Lal Agarwal and Smt. Frenny Megotia, Independent Directors of your Company have declared to the Board of Directors that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the Listing Regulations and as amended by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 and there is no change in the status of their Independence and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that they could impair or impact their ability to discharge their duties.

The Board of Directors have taken on record the declaration and confirmation received from the Independent Directors and verified the veracity of such disclosures. The Board further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

### **Committees of the Board**

Pursuant to the provisions of various requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has constituted various Committees, such as, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The details of composition, terms of reference, etc. pertaining to these Committees in the Corporate Governance Report which forms part of this Annual Report.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company follows the practice of conducting familiarisation programme of the Independent Directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

### **EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Nomination and Remuneration Committee (NRC) of the Board have devised the criteria for evaluation of the Independent Directors, the Board and its Committees. The Board has carried out annual evaluation of its own performance and that of its committees and individual Directors. More details on the same are given in Corporate Governance Report.

### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF DIRECTORS AND OTHER MATTERS**

Pursuant to the requirements of Section 178(3) of the Companies Act, 2013 and Regulation 19(4) read with Para A, Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee review the composition and diversity of the Board and identify persons who are qualified to become directors in accordance with the criteria laid down by the Board of Directors of the Company. Nomination and Remuneration Committee recommends to the Board about the appointment/re-appointment of eligible candidates including their terms of appointment and remuneration. The remuneration policy including criteria for determining qualifications, positive attributes, independence of a director have been disclosed in the report on Corporate Governance.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Sec.134 (3)(c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to information and explanation received from the day-to-day operating management, your directors state that:

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

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 4 (four) times during the year under review. More details of meetings of the Board and Committees thereof are available in the Corporate Governance Report.

### KEY MANAGERIAL PERSONNEL

As on date of this Report, Shri Surendra Kumar Agarwal (DIN: 00464907), Executive Chairman, Shri Sunil Jain (DIN: 00486597), Managing Director, Shri Puspendu Chattopadhyay, Whole-time Director, Shri Deo Kishan Kothari, Chief Financial Officer (CFO) and Shri Rahul Agarwal, the Company Secretary are the Key Managerial Personnel (KMP) of your Company,

### CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations read with Schedule V thereto, the Corporate Governance Report of your Company for the financial year ended 31<sup>st</sup> March, 2024 is annexed as **Annexure – I** which forms part of this Annual Report.

Other disclosures required to be made under the Listing Regulations, the Act and the Rules made thereunder, have been included in the Corporate Governance Report and/or Financial Statements for the financial year ended 31<sup>st</sup> March, 2024 to avoid repetition in this Board' Report.

### STATUTORY AUDITORS AND THEIR REPORT

In terms of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 (as amended), M/s. Anand Gupta & Associates, *Chartered Accountants*, (ICAI Firm Registration No. 330186E), was appointed as the Auditors of the Company for a consecutive tenure of five years from the conclusion of the 26<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> August, 2022 until the conclusion of 31<sup>st</sup> Annual General Meeting to be held in the year 2027.

M/s. Anand Gupta & Associates, *Chartered Accountants*, (ICAI Firm Registration No. 330186E) has not informed the Company regarding any condition rendering them ineligible to continue as the Auditors of the Company in terms of the provisions of the Act and the Rules framed thereunder. A copy of the certificate issued by the Peer Review Board (ICAI) as required under Regulation 33 of the Listing Regulations has been submitted by the Auditors to the Company.

The reports given by the Auditors on the Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2024, form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports. The Auditors of your Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

## SECRETARIAL AUDITORS AND THEIR REPORT

In terms of 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, the Board of Directors of the Company at its meeting held on 25<sup>th</sup> May, 2023 had appointed Smt. Kanchan Yadav of M/s. K Y. & Associates, Practicing Company Secretary, having Membership No. ACS 39862, C. P. No. 14939, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2023-24 and to submit Secretarial Audit Report thereon.

The Secretarial Audit Report received from M/s. K. Y. & Associates in the prescribed Form No. MR-3 is annexed to this Board's Report and marked as **Annexure – II**. There are no qualifications, observations or remarks made by the Secretarial Auditor in the Report. The observations in the Report are self-explanatory.

## COST AUDITORS

In terms of Section 148(3) of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee the Board of Directors has appointed M/s N. Radhakrishnan & Co., *Cost Accountants* (Registration No. 000056), being eligible and having sought re-appointment, as Cost Auditor of the Company, for a remuneration of Rs. 30,000/- plus applicable taxes and re-imbursalment of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1<sup>st</sup> April, 2024 and ending on 31<sup>st</sup> March 2025 as required in terms of the Companies (Cost Records and Audit) Amendment Rules, 2015.

As required under Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is being placed at the ensuing Annual General Meeting for ratification by the Members. M/s N. Radhakrishnan & Co., *Cost Accountants* have furnished a declaration as required under Section 141(3)(g) read with Section 148(3) and 148(5) of the Companies Act, 2013.

As per the Companies (Cost Audit Report) Rules, 2011, the due date for filing the Cost Audit Report for the previous financial year ended 31<sup>st</sup> March, 2023 with the Central Government was 30<sup>th</sup> September, 2023 and the said report was filed by the Cost Auditor within the due date.

## INTERNAL AUDITORS

M/s. Santosh Mohta & Co., *Chartered Accountants*, (Firm Registration No. 322357E), on recommendation of the Audit Committee, was appointed as Internal Auditor of the Company by the Board of Directors of the Company at its meeting held on 25<sup>th</sup> May, 2023 to conduct internal audit of the records of the Company for the financial year 2023-24.

## EXTRACT OF THE ANNUAL RETURN

The draft of the Annual Return in Form No. MGT-7 of the Company as on 31<sup>st</sup> March, 2024 as provided under sub-section 3 of Section 92 and 134(3)(a) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is uploaded on the Company's website <https://reliancejute.com/wp-content/uploads/2024/09/Annual-Return-2023-24-draft.pdf> pursuant to Notification No. G.S.R. 538(E) dated 28<sup>th</sup> August, 2020 and not attached to the Board's Report.

## SIGNIFICANT AND MATERIAL LITIGATIONS/ORDERS

During the year under review, there were no significant material orders passed by the Regulators/Courts, which would impact the going concern status and future operations of your Company. The details of litigation on tax and other matters are disclosed in the Auditor's Report and Financial Statements which forms part of this Annual Report. During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application/proceeding by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31<sup>st</sup> March, 2024.

## DISCLOSURE

Following disclosures are made under the Companies (Accounts) Rules, 2014:

- (i) The financial summary or highlights are discussed at the beginning of this report;
- (ii) There is no change in the nature of business;
- (iii) There is no company which has become or ceased to be the Company's subsidiary, joint venture or associate company during the year.
- (iv) No significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## LOANS, GUARANTEES AND INVESTMENTS

In terms of Section 186 of the Companies Act, 2013 and Rules framed thereunder, particulars of loans given and investments made by the Company have been disclosed in the Note No.13 to the Financial Statements for the year ended 31<sup>st</sup> March, 2024, which forms part of the Annual Report. Your Company has not given any guarantee or provided any security during the year under review. The disclosure as per Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014, as amended, is not applicable to your Company.

## AUDIT COMMITTEE

The Board of Directors of the Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the Listing Regulations. The term of reference of the Audit Committee has been approved by the Board of Directors. Composition of Audit Committee, number of meetings held during the year under review, brief terms of reference and other requisite details have been provided in the Corporate Governance Report which forms part of this Annual Report. Recommendations made by the Audit Committee are accepted by the Board.

## NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board & its Powers) Rules, 2014, the Board of Directors of the Company has constituted a Nomination and Remuneration Committee and has also approved the Nomination and Remuneration Policy which inter-alia contains appointment criteria, qualifications, positive attributes and independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company. The enumerates the powers. Roles and responsibilities of the Nomination and Remuneration Committee. There has been no change in the said Policy during the year under review. The policy has been uploaded on the website of your Company at [www.reliancejute.com](http://www.reliancejute.com).

## RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company's internal financial control ensures that all assets of the Company are safeguarded and protected, proper prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately. The Company has an adequate system of internal controls commensurate with its size and scale of operation, procedures and policies, ensuring orderly efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Such practice provides reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with the applicable legislations. Your Company also monitors, through its Internal Audit Team, the requirements of processes in order to prevent or timely detect unauthorised acquisition, use or disposition of the Company's Assets which could have a material effect on the Financial Statements of the Company. The Internal Audit function is responsible to assist the Audit Committee on an independent basis with a complete review of the risk assessments and associated management action plans. The Internal Audit Report is reviewed periodically by the Audit Committee. The Internal Auditor is a permanent invitee to the Audit Committee Meetings. The Audit Committee advises on various risk mitigation exercises on a regular basis. Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of the Company are adequate and are operating effectively.

## CORPORATE SOCIAL RESPONSIBILITY

The Company doesn't qualify for mandatory formulation and adoption of Corporate Social Responsibility Policy under the provisions of the Companies Act, 2013 and the Rules framed thereunder.

## POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide a safe and secure environment to its women employees as they are considered as integral and important part of the Organization. In terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended) and Rules framed thereunder, your Company has duly adopted a Policy and has also complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) which has confirmed that no complaint / case has been filed / pending with the Company during the year under review.

The Company has been conducting awareness programme in its manufacturing unit and office premises to encourage its employees to be more responsible and alert while discharging their duties.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended 31<sup>st</sup> March, 2024, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the ordinary course of business and at arm's length basis. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations").

During the year under review, your Company did not enter into any Related Party Transaction which requires prior approval of the Members of your Company. All Related Party Transactions entered into by your Company had prior approval of the Audit Committee and Board of Directors, as required under the Listing Regulations. Subsequently, the Audit Committee and the Board of Directors have also reviewed the Related Party Transactions on quarterly basis. During the year under review, there have been no materially significant Related Party Transactions having potential conflict with the interest of your Company.

Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore, details required to be provided in the prescribed Form AOC-2 are not applicable to your Company. Necessary disclosures required under the Ind AS 24 have been given in Note No 43 of the Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2024.

## SUBSIDIARIES

During the year under review, no company became or ceased to be a subsidiary, joint venture or associate of your company and thus the Company doesn't have any subsidiary company

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

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Sec. 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as [Annexure- III](#) and forms part of this Board' Report.

## DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

Disclosure in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subsequent amendments thereto has been made in [Annexure - IV](#) forming part of this Report. Further, Shri Surendra Kumar Agarwal and Shri Sunil Jain, Executive Directors, don't accept any remuneration or commission from the Company. Moreover, Shri Mayank Goyal and Shri Akhil Jain, Non-Executive Non-Independent Directors of the Company also don't accept any sitting fees/commission.

### **ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism / whistle blower policy. The policy allows intimation of concern or misconduct made in good faith by affected persons through a written communication. Audit Committee oversees the vigil mechanism for disposal of the complaint. Direct access to the Chairperson of the Audit Committee is also allowed in exceptional cases. The vigil mechanism/whistle blower policy is available on Company's website [www.reliancejute.com](http://www.reliancejute.com).

### **CAUTIONARY STATEMENT**

There are Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Government Laws, Tax Regimes, global economic developments and other factors such as litigation and labour negotiations.

### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

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

### **ACKNOWLEDGEMENTS**

Your directors record their sincere appreciation of the dedication and commitment of all employees at all levels in achieving and sustaining excellence in all areas of the business. Your Directors thank shareholders, customers, suppliers, bankers and other stakeholders for their continuous support to the Company.

**13/C, Kashi Nath Mullick Lane  
Kolkata, the 10<sup>th</sup> day of August, 2024**

**For and on behalf of the Board  
Surendra Kumar Agarwal  
Chairman  
(DIN: 00464907)**



## REPORT ON CORPORATE GOVERNANCE

**[Pursuant to Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, “Listing Regulations”]**

### 1. Company’ Philosophy on Code of Governance

Reliance Jute Mills (International) Limited firmly believes in the implementation of best practices of corporate governance so that the company could achieve its corporate goals and further enhance stakeholders’ value. It has been its endeavour to attach a great deal of importance on ensuring fairness, transparency, accountability and responsibility towards all stakeholders, besides consistently implementing the best possible practices by providing optimum level of information and benefits to all the stakeholders.

### 2. Date of Report

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on 31<sup>st</sup> March, 2024. This Report is updated as on the date of the Report wherever applicable.

### 3. Board of Directors

#### a. Composition and Category of Directors

The Board of Directors (the Board) consists of altogether 8 (Eight) Directors of which there are three Non-Executive Independent Directors, two Executive Directors designated as Executive Chairman and Managing Director respectively belonging to Promoter Group, one Executive Director designated as Whole-time Director belonging to Non-Promoter and two Non-Executive Non-Independent Directors belonging to Promoter Group.

No Director is, inter-se, related to any other Director on the Board, except Shri Surendra Kumar Agarwal, Executive Chairman, and his son Shri Mayank Goyal, Director and Shri Sunil Jain, Managing Director and his son Shri Akhil Jain, Director.

#### b. Details of Directors

Shri Surendra Kumar Agarwal was re-appointed as Executive Chairman of the Company for a period of 5 (five) years with effect from 2<sup>nd</sup> July, 2022. The present term of his appointment as Executive Chairman will be completed on 1<sup>st</sup> July, 2027. He is vested with powers of overall management of the affairs of the Company subject to the superintendence and guidance of the Board of Directors. He is the Chairman of the Board of Directors of the Company. He is responsible for production, purchase and resource management. He is also responsible for and involved in improving the production and productivity, policy planning, vision & strategy and long term development activities of the Company besides Corporate Governance and Board co-ordination.

Shri Sunil Jain was re-appointed as the Managing Director of the Company for a period of 5(five) years with effect from 2<sup>nd</sup> July, 2022. The present term of his appointment as Managing Director will be completed on 1<sup>st</sup> July, 2027. He is responsible for expanding market share of the products of the Company. He is also involved in policy planning, vision & strategy and long term development activities of the Company,

Shri Puspendu Chattopadhyay, was re-appointed as the Whole-time Director of the Company for a period of 2(two) years with effect from 2<sup>nd</sup> July, 2022. The present term of his appointment as Whole-time Director will be completed on 1<sup>st</sup> July, 2024.

Shri Puspendu Chattopadhyay, (holding DIN:06276483) has been re-appointed as Whole-time Director of the Company by the Board of Directors for a further period of 2 (two) years with effect from 2<sup>nd</sup> July, 2022 subject to approval of the Members at the forthcoming Annual General Meeting whose period of office shall be liable to determination by retirement of directors by rotation.

Shri Mayank Goyal is Non-Executive Promoter Director. He retired by rotation, offered himself for re-appointment and was re-appointed by the members of the Company at the last Annual General Meeting of the Company held on 27<sup>th</sup> September, 2023 whose period of office is liable to determination by retirement of directors by rotation.

Shri Akhil Jain (holding DIN: 06476192) is Non-Executive Promoter Director. His term of office is due to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment whose period of office shall be liable to determination by retirement of directors by rotation.

Shri Sudhir Kumar, Shri Mohan Lal Agarwal and Smt. Frenny Megotia were appointed as Independent Directors at the 26<sup>th</sup> Annual General meeting of the Company held on 10<sup>th</sup> August, 2022 for a period of 5(five) years and their re-appointment shall fall due at the 31<sup>st</sup> Annual General Meeting of the Company to be held in the calendar year 2027.

All Independent Directors have confirmed that they have complied with the Code for Independent Directors mentioned in Schedule IV of the Companies Act, 2013 and that they are not disqualified to act as an Independent Director in compliance with the provisions of Sec. 149 of the Companies Act, 2013.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Director proposed to be appointed/re-appointed has been annexed to the Notice convening the 28<sup>th</sup> Annual General Meeting.

**c. Declaration on compliance with Code of Conduct**

All Directors and Senior Management have adhered to the Code of Conduct of the Company during the year and have signed declarations of compliance to the Code of Conduct. The declaration signed by Shri Sunil Jain, Managing Director affirming the compliance of the Code of Conduct by the Board Members and Senior Management is given separately in the Annual Report.

**d. Shareholding of Directors and Key Managerial Personnel**

As on 31<sup>st</sup> March, 2024 following shares of the Company were held by Directors and Key Managerial Personnel of the Company:

Name	Designation	No. of shares held as on 31.03.2023
Shri Surendra Kumar Agarwal	Executive Chairman	350691
Shri Sunil Jain	Managing Director	240543
Shri Mayank Goyal	Director	300000
Shri Akhil Jain	Director	270386
Shri Deo Kishan Kothari	Chief Financial Officer	–
Shri Rahul Agarwal*	Company Secretary	–

\*Appointed with effect from 25<sup>th</sup> May, 2023.

**e. Board Meetings, Annual General Meeting and Attendance**

During the financial year ended 31<sup>st</sup> March, 2024, 4(four) Board Meetings were held on 25<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 12<sup>th</sup> February, 2024.

Maximum time gap between two meetings was less than 120 days. In terms of Schedule V of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 23<sup>rd</sup> March, 2024 which was attended by all Independent Directors.

The Attendance of the Directors at the Board meetings and the Annual General Meeting and remuneration paid to them for attending the Board meetings is given below:

Name of Directors	No. of Board Meetings		Fees Paid Rs.	Attendance at last AGM held on 27 <sup>th</sup> September, 2023
	Held	Attended		
Shri Surendra Kumar Agarwal	4	4	–	Yes
Shri Sunil Jain	4	4	–	Yes
Shri Mayank Goyal	4	4	–	Yes
Shri Akhil Jain	4	4	–	Yes
Shri Puspendu Chattopadhyay	4	4	–	Yes
Shri Sudhir Kumar	4	4	32,000	Yes
Shri Mohan Lal Agarwal	4	4	32,000	Yes
Smt. Frenny Megotia	4	4	32,000	Yes

Smt. Anamika Sinha Roy, Company Secretary, resigned from the employment of the Company with effect from 1<sup>st</sup> April, 2023. Shri Rahul Agarwal was appointed as Company Secretary with effect from 25<sup>th</sup> May, 2023 and he attended all the 3(three) meetings of the Board of Directors held on 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 12<sup>th</sup> February, 2024.

The Directors have access to the complete agenda for meetings along with all relevant annexure and other important information through email ahead of the meeting to enable them to make private notes and comments of the meeting.

**f. Board Committee**

The Board of Directors have constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee after the change of Management of the Company in compliance with the requirements of the Companies Act, 2013 and Corporate Governance requirements under Listing Regulations.

The composition, terms of reference, attendance and other details of these Committees are mentioned later in this Report.

**g. Directorships and Committee membership in other Companies**

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors is presently holding directorship in more than 7 listed companies and also none of the Directors is holding directorship in more than 10 public companies.

As required under Para C(2) of Schedule V of the Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where Directors of the Company are also a Director and the category of their directorships therein.

Name of Directors	Designation & Category of the Directors	No. of Directorships*	No. of Membership on Board Committees	No. of Chairmanship on Board Committees
Shri Surendra Kumar Agarwal	Executive Chairman (Executive)	–	–	–
Shri Sunil Jain	Managing Director (Executive)	–	–	–
Shri Mayank Goyal	Director (Non-Executive)	–	–	–
Shri Akhil Jain	Director (Non-Executive)	–	–	–
Shri Puspendu Chattopadhyay	Whole-time Director (Executive)	–	–	–
Shri Sudhir Kumar	Director (Non-Executive Independent)	–	–	–
Shri Mohan Lal Agarwal	Director (Non-Executive Independent)	–	–	–
Smt. Frenny Megotia	Director (Non-Executive Independent)	–	–	–

\*Excludes memberships of the managing committee of various chambers/bodies corporate, directorships in private limited companies, foreign companies, companies registered under section 8 of the Act and alternate directorships.

- h.** In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Programme for the Independent Directors has been adopted and the same is available on the website of the Company on [www.reliancejute.com](http://www.reliancejute.com). Independent Directors of the Company are familiar with the operations of the Jute Industry, its modus operandi and their responsibilities as Independent Director. Familiarization Programme for Independent Directors will be imparted as and when considered necessary by the Board of Directors of the Company.
- i.** In pursuance of Para C (2), Schedule V of the Listing Regulations, the Board of Directors has identified the core skills/expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company and its sector. These core skills/expertise/competencies are actually available with Board in the following manner:

Sl. No.	Area of core skills/ expertise/ competencies	Name of the Directors who have such skills/expertise/competence
1.	<b>Manufacturing / Operations</b>	Shri Puspendu Chattopadhyay
2.	<b>Finance and Accounts</b>	Shri Surendra Kumar Agarwal Shri Mayank Goyal
3.	<b>Sales and Marketing</b>	Shri Sunil Jain Shri Akhil Jain
4.	<b>Business Strategy, Planning and Risk Management</b>	Shri Surendra Kumar Agarwal Shri Sunil Jain Shri Puspendu Chattopadhyay
5.	<b>Regulatory Compliance, Governance and Stakeholders Management</b>	Shri Sudhir Kumar Shri Mohan Lal Agarwal Smt. Frenny Megotia

#### 4. Audit Committee

##### a) Constitution and Composition

The details of composition of the Audit Committee under the provisions of Sec. 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations are as under:

Name of Directors	Designation	Category
Shri Mohan Lal Agarwal	Chairman	Independent Director
Shri Sudhir Kumar	Member	Independent Director
Shri Mayank Goyal	Member	Non-Executive Director

##### b) Terms of Reference

The role and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and as specified under Part C of Schedule II of the Listing Regulations. The role of the Audit Committee includes the following:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, quarterly financial statements before submission to the board for approval;
- v. Reviewing, with the management, annual financial statements and auditor's report thereon before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.);
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up thereon;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To review the functioning of the whistle blower mechanism;

- xviii. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xix. Carrying out any other function as is mentioned in the terms of reference of the audit.
- xx. Reviewing utilization of the loans and/or advances from investment by holding company in subsidiary company exceeding Rs.100 Crores or 10% of asset size of subsidiary, whichever is lower.
- xxi. Consider and comment on rationale, cost benefits, and impact of schemes involving merger, de merger, amalgamations etc. on the company and its shareholders

In addition, the Audit Committee also mandatorily reviews the following:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of Internal Auditor.

**c) Internal Audit**

The Internal Auditor appointed by the Company conducts the internal audit and submit its report to the Audit Committee on half-yearly basis.

**d) Meetings and attendance**

During the financial year 4(four) meetings of the Audit Committee were held on on 25<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 12<sup>th</sup> February, 2024. The Attendance of the Directors at these Audit Committee meetings and remuneration paid to them is given below:

Name of Directors	No. of Meetings		Fees Paid Rs.
	Held	Attended	
Shri Mayank Goyal	4	4	–
Shri Sudhir Kumar	4	4	14,000
Shri Mohan Lal Agarwal	4	4	14,000

Representative of the Statutory Auditors was invited to the meeting of the Audit Committee. Minutes of the Audit Committee are placed before the Board meeting for noting. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Company Secretary acts as the Secretary of the Audit Committee meeting and accordingly, Shri Rahul Agarwal, Company Secretary, attended all the 3(three) meetings of the Audit Committee held on 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 12<sup>th</sup> February, 2024.

**5. Nomination and Remuneration Committee**

**a) Constitution and Composition**

The details of composition of Nomination and Remuneration Committee pursuant to the provisions of Sec. 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations are as under:

Name of Directors	Designation	Category
Shri Mohan Lal Agarwal	Chairman	Independent Director
Shri Sudhir Kumar	Member	Independent Director
Shri Akhil Jain	Member	Non-Executive Director

### Terms of Reference

The role and terms of reference of the Nomination and Remuneration Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 19 and as specified under Part D(A) of Schedule II of the Listing Regulations. The role of the Nomination and Remuneration Committee includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iv. Devising a policy on diversity of Board of Directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- vi. Whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Board of Directors.
- vii. Recommend to the Board, all remuneration in whatever form, payable to senior management.

### b) Attendance

During the financial year ended 31<sup>st</sup> March, 2024, 2 (two) meetings of the Nomination and Remuneration Committee were held on 25<sup>th</sup> May, 2023, and 28<sup>th</sup> October, 2023.

Name of Directors	No. of Meetings		Fees Paid Rs.
	Held	Attended	
Shri Mohan Lal Agarwal	2	2	3,500
Shri Sudhir Kumar	2	2	3,500
Shri Akhil Jain	2	2	3,500

Shri Rahul Agarwal, Company Secretary acted as the Secretary of the meeting held on 28<sup>th</sup> October, 2023.

### c) Nomination and Remuneration Policy

In compliance with the requirements of Section 178 of the Act, including Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs), Functional Heads and other employees of the Company. The policy provides for Board diversity criteria and qualifications for appointment of Directors, KMPs and SMPs, remuneration paid/payable to them, etc. The said policy has been uploaded on the website of the Company at [www.reliancejute.com](http://www.reliancejute.com).



### **Non-Executive Non-Independent Directors**

The Board of Directors decides on the remuneration of the Non-Executive Director in accordance with the provisions of the Articles of Association of the Company and with the approval of the Members of the Company, if so required. Outgoing members of the Committee were paid only sitting fees for attending the committee meetings but considering the financial condition of the Company, incoming members are not paid sitting fees or any other remuneration for attending meetings of the Committee.

### **Non-Executive Independent Directors**

Remuneration by way of sitting fees for attending the Committee Meetings are paid to the Independent Directors for their attending the meetings of the Board or Committee thereof. Independent Directors are entitled to a Commission on Net Profits not exceeding 1% in aggregate of the Net Profits computed in the manner referred to in Section 198 of the Act and Rules framed thereunder, which is distributed among them after the AGM, in such proportion as determined by the Board on the recommendation of the Nomination and Remuneration Committee.

### **Executive Directors**

Nomination and Remuneration Committee determines the remuneration to be paid to the Executive Directors of the Company in accordance with their qualifications, experience, managing skills, and the scope of the work and responsibilities assigned to them. The liabilities for Gratuity and Leave Encashment are provided on actuarial basis by the Company as a whole, the amount pertaining to the Directors are not included to the salary and perquisites paid in terms of the Agreement entered with the Executive Directors. Remuneration and perquisites of the Executive Directors include retirement benefits and items which do not form part of their remuneration and perquisites under Section 197 and 198 of the Act and Rules framed thereunder. The Agreement with the Executive Directors are contractual in nature. These Agreements may be terminated at any time by either party giving one month's notice without any cause. However, out of three Executive Directors, two have waived their remuneration considering the financial condition of the company and one of them is paid his remuneration.

### **Performance Evaluation of the Board, Committee and Directors**

The Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole
- ii. Committee of the Board of Directors
- iii. Individual Directors including the Chairman of the Board of Directors

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January, 2017, the Company has carried out a Performance Evaluation for the Board/Committees of the Board/Individual Directors including the Chairman of the Board of Directors for the financial year ended 31<sup>st</sup> March, 2024.

## **6. Remuneration to Directors**

- a) Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. They are also entitled to commission not exceeding 1% of the net profits of the Company but considering the financial position of the company, Non-Executive Non-Independent Directors belonging to Promoters group have waived their sitting fees/remuneration. However, Non-Executive Independent Directors are paid sitting fees for their attending the meetings. The Chairman, Managing Director & CEO and Whole-time Director don't receive sitting fees for attending the meetings of the Board or any Committee thereof.

### **b) Details of remuneration paid to Non-Executive Directors**

Total Remuneration paid to Non-Executive Directors for attending meetings of the Board and Committees during the year ended 31<sup>st</sup> March, 2024 is given below:

Name of Directors	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Shri Mohan Lal Agarwal	58,000	–	58,000
Shri Sudhir Kumar	58,000	–	58,000
Smt. Frenny Megotia	37,000	–	37,000
Shri Mayank Goyal	–	–	–
Shri Akhil Jain	–	–	–

### c) Details of remuneration paid to Executive Directors

Particulars	Shri Surendra Kumar Agarwal	Shri Sunil Jain	Shri Puspendu Chattopadhyay (Rs.)
Salary and Allowances	–	–	7,20,000
Cont. to Provident Fund	–	–	–
Cont. to Superannuation Fund	–	–	–
Gratuity	–	–	–
<b>Total</b>	<b>–</b>	<b>–</b>	<b>7,20,000</b>

The appointment of the Executive Directors is governed by the Articles of Association of the Company and the resolutions passed by the Board of Directors and the members of the Company.

All appointments and terms of remuneration are being considered by the Board based on the recommendation of the Nomination and Remuneration Committee.

As per terms of appointment, the Company and the Executive Directors have the right to terminate the appointment by giving one month's prior notice in writing to the other. There is no provision for payment of severance fees under the resolutions governing the appointment of Executive Directors.

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

None of the Non-Executive Directors except Shri Mayank Goyal and Shri Akhil Jain holds any share in the Company.

The Company has not entered into any material pecuniary relationship or transactions with the Non-Executive Directors.

## 7. Stakeholders Relationship Committee

### a) Composition

The details of composition of Stakeholders and Relationship Committee pursuant to the provisions of Sec. 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations are as under:

Name of the Directors	Designation	Category
Shri Mohan Lal Agarwal	Chairman	Independent Director
Shri Sudhir Kumar	Member	Independent Director
Shri Mayank Goyal	Member	Non-Executive Director

**b) Meetings and attendance**

During the financial year 2 (two) meetings of Stakeholders Relationship Committee were held on 25<sup>th</sup> May, 2023 and 28<sup>th</sup> October, 2023. The Attendance of the Directors at these Stakeholders Committee meetings and fees paid to them is given below:

Name of Directors	No. of Meetings		Fees Paid Rs.
	Held	Attended	
Shri Mohan Lal Agarwal	2	2	3,500
Shri Sudhir Kumar	2	2	3,500
Shri Mayank Goyal	2	2	–

Shri Rahul Agarwal, Company Secretary acted as the Secretary of the meetings held 28<sup>th</sup> October, 2023.

**c) Scope of Stakeholders Relationship Committee**

The Committee looks into various aspects of interest of shareholders relating to shareholders' and investors' queries and grievances such as transfers and transmissions of shares, issue of duplicate share certificates, sub-division and consolidation of certificates, non- receipt of annual reports, dividend warrants etc.

The Committee also reviews the status of dematerialisation / re-materialisation of shares and suggest measures for improvement of procedures and systems.

Apart from above, the Stockholders Relationship Committee has the following role:

- Reviewing of measures taken for effective exercise of voting rights by shareholders.
- Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders.

**d) Compliance Officer**

Shri Rahul Agarwal, Company Secretary acted as the Secretary to the Committees and Compliance Officer of the Company and his contact details are as given below:

Shri Rahul Agarwal  
 Company Secretary and Compliance Officer  
 Reliance Jute Mills (International) Limited  
 13/C, Kashi Nath Mullick Lane, 1<sup>st</sup> Floor  
 Kolkata-700 073  
 Tel. No. : +91 33 48026946  
 E~mail : [financeho@reliancejute.com](mailto:financeho@reliancejute.com)

**e) Pledge of shares:**

No pledge of shares has been created over the Equity Shares held by the Promoters as on 31<sup>st</sup> March, 2024.

**f) Details of complaints from shareholders**

In compliance with the requirements of SEBI Circular No.CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User Id and Password for processing the investor complaints in a centralised web based SEBI Complaints Redress System, "SCORES". This enables the investors to view online the actions taken by the company on their complaints and current status thereof, by logging on to the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in)

No shareholders complaints were lying unresolved as on 31<sup>st</sup> March, 2024 under "SCORES".

It is confirmed that there was no request for registration of share transfers/transmissions lying pending as on 31<sup>st</sup> March, 2024 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc. received upto 31<sup>st</sup> March, 2024 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and rematerialization of shares of the Company through National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).

Nature of complaints received and resolved during the financial year ended 31<sup>st</sup> March, 2024:

Sl. No.	Subject matter	Complaints pending as on 1 <sup>st</sup> April, 2023	Complaints received	Complaints redressed	Complaints pending as on 31 <sup>st</sup> March, 2024
			During the financial year ended 31 <sup>st</sup> March, 2024		
1.	Non-receipt of Dividend	N.A.	N.A.	N.A.	N.A.
2.	Transfer/Transmission of Shares	–	–	–	–
3.	Dematerialization / Re-materialization of Shares	–	–	–	–
4.	Sub-division related matters	–	–	–	–
5.	Others	–	–	–	–
<b>Total</b>		–	–	–	–

## 8. Risk Management Committee

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, constitution of Risk Management Committee was made applicable to only top 100 listed entities, determined on the basis of market capitalisation, as at the end of immediate previous financial year. Since the Company doesn't fall under the category of aforesaid listed Companies, no Risk Management Committee exists at present Audit Committee, apart from its existing responsibilities, also monitor the areas of risks, its assessment and mitigation.

## 9. General Body Meetings

- a) **Location and date/time where last three Annual General Meetings (AGM) were held and No. of Special Resolutions passed:**

AGM No.	Relating to Financial Year Ended	Date	Time	Venue	No. of Special Resolutions passed
25 <sup>th</sup>	31.03.2021	15.09.2021	4.00 PM	Ideal Plaza, South Block, 4 <sup>th</sup> Floor 11/1, Sarat Boase Road Kolkata-700020	1
26 <sup>th</sup>	31.03.2022	10.08.2022	4.00 PM	FD-463/1, Salt Lake City, Sector-3 Near Netaji Statue, Kolkata-700106	–
27 <sup>th</sup>	31.03.2023	27.09.2023	4.00 PM	FD-463/1, Salt Lake City, Sector-3 Near Netaji Statue, Kolkata-700106	2

At the Annual General Meeting held on 15<sup>th</sup> September, 2021, **1 (one) Special Resolution** was passed for re-appointment of Shri Pawan Kumar Kanoria who has attained the age of over 70 years for a further period of 5(five) years w.e.f. 1<sup>st</sup> April, 2022.

At the Annual General Meeting held on 10<sup>th</sup> August, 2022, **no Special Resolution** was passed..

At the Annual General Meeting held on 27<sup>th</sup> September, 2023, **2 (two) Special Resolutions** were passed. One resolution was passed re-classification of Authorised Share Capital of the Company from Rs.18,01,00,000/- (Rupees Eighteen Crore One Lac) only comprising of Rs. 3,01,00,000/- (Rupees Three Crores One Lac) only divided into 30,10,000 (Thirty Lacs Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten) each and Rs. 15,00,00,000/- (Rupees Fifteen Crores) only divided into 15,00,000 (Fifteen Lacs) Preference Shares of Rs.100/- (Rupees Hundred) each, to Rs.18,01,00,000/- (Rupees Eighteen Crores One Lac) only comprising of Rs.10,01,00,000/- (Rupees Ten Crores One Lac) only divided into 1,00,10,000 (One Crore Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten) each and Rs.8,00,00,000/- (Rupees Eight Crores) only divided into 8,00,000 (Eight Lacs) Preference Shares of ₹100/- (Rupees Hundred) each and second resolution was passed for amendment of Article 110 of Articles of Association of the Company.

No Extra-ordinary General Meeting (EGM) was held by the Company during the financial year ended 31<sup>st</sup> March, 2024.

**b) Postal Ballot**

No Resolutions were passed through postal ballot during the year under review.

**10. Disclosures**

- a) Details of transactions with related parties have been reported in the Notes to Accounts. These disclosures are also made for the purpose of Regulation 10(1)(a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. All the transactions with related parties are at arm's length basis and there are no materially significant related party transactions which may have potential conflict with the interests of the Company at large.
- b) There were no instances of non-compliance by the Company or any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- c) The Company has in place an Employee Concern (Whistle Blower Policy) which is also available on the Company's website [www.reliancejute.com](http://www.reliancejute.com). No personnel have been denied access to the Audit Committee to lodge their grievances.
- d) The Company has made compliance with corporate governance requirements as specified in Regulations 17 to 27 (although these regulations are not applicable to the Company at present) and clause (b) to (i) of sub-regulation (2) of Regulation 46 read with Schedule V of Listing Regulations.

All mandatory requirements and all the non-mandatory requirements have appropriately been complied with except that the Company doesn't bear the expenses of the Chairman's Office and doesn't send the half yearly financial performance to each household of shareholders who have not registered their E~mail ID with the Company or the Depository Participants.

- e) The Management Discussion and Analysis Report forms a part of the Board's Report.
- f) No presentations were made to institutional investors and analysts during the year.
- g) The Company doesn't have any subsidiary.
- h) There was no public issue, rights issues or other public offerings during the past five years. The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
- i) During the period under review, open offer to acquire the public shareholdings was given by the present Management at the time of acquisition of Shareholdings of erstwhile Promoters and Promoter Group
- j) Plant location of the Company are given separately in the Annual Accounts of the Company and are also available on the Company's website [www.reliancejute.com](http://www.reliancejute.com)

### 11. Means of Communication:

- a) The quarterly, half yearly and annual financial results of the Company are uploaded on the website of The Calcutta Stock Exchange Limited (CSE) upon approval by the Board of Directors and are published in Newspapers in English and Bengali (Regional Language). The financial results are displayed on the Company's website [www.reliancejute.com](http://www.reliancejute.com). The shareholding patterns are also displayed on the company's website on quarterly basis.
- b) Shareholders communication including Notices and Annual Reports are being sent to the E~mail address of Members available with the Company and the Depositories. Annual Accounts are sent to Members at least 21days before the date of Annual General Meeting.
- c) The Company's website [www.reliancejute.com](http://www.reliancejute.com) makes online announcement of Board meeting dates, results of the meetings, quarterly financial results, announcement of the date of Annual General Meeting, changes in Directors and other announcements. Copies of Notices and Annual Reports sent to Shareholders are also available on the website.
- d) **Address for Communication**  
All communication regarding share transactions, change of address, bank mandates, nominations etc. should be addressed to the Registrars and Share Transfer Agents of the Company at the following address:

**S. K. Infosolutions Pvt. Ltd.**  
**D/42, Katju Nagar Colony**  
**Ground Floor, Near South City Mall**  
**PO & PS-Jadavpur**  
**Kolkata-700032**  
**Tel. No.: (033) 24120027/24120029**  
**Fax No. : (033) 24120027**  
**E~mail : [contact@skcinfo.com](mailto:contact@skcinfo.com), [skcdilip@gmail.com](mailto:skcdilip@gmail.com)**

Complaints, if any, may also be addressed to the Company Secretary at the Registered Office at 13/C, Kashinath Mullick Lane, 1<sup>st</sup> Floor, Kolkata-700073, or sent by E~mail at [financeho@reliancejute.com](mailto:financeho@reliancejute.com).

### 13 General Shareholders Information:

a)	<b>AGM: Date, Time and Venue</b>	:	27 <sup>th</sup> September, 2024 at 4.00 P. M. through two-way video conferencing or other audio-visual means as per details given in the notice calling the Annual General Meeting of even date.
b)	<b>Financial Year</b>	:	The Financial Year of the Company is from 1 <sup>st</sup> April to 31 <sup>st</sup> March.
	<b>Financial Calendar for Financial Year 2023-24</b>		
	<b>1<sup>st</sup> Quarter Financial Results</b>		By mid-August, 2024
	<b>2<sup>nd</sup> Quarter Financial Results</b>		By mid-November, 2024
	<b>3<sup>rd</sup> Quarter Financial Results</b>		By mid-February, 2025
	<b>4<sup>th</sup> Quarter Financial Results</b>		By end-May, 2025
c)	<b>Date of Book Closure</b>	:	<b>From Saturday, 21<sup>st</sup> September, 2024 to Friday, 27<sup>th</sup> September, 2024 (both days inclusive).</b>
d)	<b>Dividend payment date</b>	:	No dividend was recommended for declaration for the year ended 31 <sup>st</sup> March, 2024.
e)	<b>Listing of Securities</b>	:	The Calcutta Stock Exchange Limited 7, Lyons Range Kolkata-700 001  All major compliances of the Stock Exchange where the shares of the Company are listed, including, payment of listing fees, submission of quarterly reports and certificates have been made.

f)	<b>Stock Code-Physical, Demat ISIN Number for NSDL &amp; CDSL</b>	:	28387 at The Calcutta Stock Exchange Limited INE297E01016
g)	<b>Market Price Data (High / Low during each month in 2023-24)</b>	:	Information has been given at the end of Clause 12
h)	<b>Stock performance of the Company in comparison to CSE Sensex. (April, 2023 to March, 2024)</b>	:	Such information is not available with the CSE.
i)	<b>Registrar and Share Transfer Agent</b>	:	S. K. Infosolutions Pvt. Ltd. D/42, Katju Nagar Colony Ground Floor, Near South City Mall PO & PS-Jadavpur Kolkata-700032 Tel. No.: (033) 24120027/24120029 Fax No. : (033) 24120027 E~mail: contact@skcinfo.com, skcdilip@gmail.com
j)	<b>Share Transfer System</b>	:	Information has been given at the end of Clause 12
k)	<b>Distribution of Shareholding as on 31<sup>st</sup> March, 2024</b>	:	Information has been given at the end of Clause 12
l)	<b>Dematerialization of shares and liquidity</b>	:	As on 31 <sup>st</sup> March, 2024, 91.03% of the Company's paid-up share capital representing 23,57,161 shares is held in dematerialized form.
m)	<b>Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date likely impact on equity</b>	:	Not issued
n)	<b>Plant location</b>	:	The Company's plant is located at the following place: 80, West Ghosh Para Road Bhatpara, 24, Parganas (North) West Bengal-743 123
o)	<b>Address for correspondence</b>	:	Reliance Jute Mills (International) Ltd. CIN: L17125WB1996PLC081382 13/C, Kashinath Mullick Lane, 1 <sup>st</sup> Floor Kolkata-700 073 Phone: +91 33 48026946 E~mail: <a href="mailto:financeho@reliancejute.com">financeho@reliancejute.com</a> Website: <a href="http://www.reliancejute.com">www.reliancejute.com</a>

#### Information in respect of clause 12(g)

During the financial year ended 31<sup>st</sup> March, 2024, there was no transaction of Equity Shares of the Company at The Calcutta Stock Exchange Limited. The last traded price of the Equity Shares of the Company at the above Stock Exchange was Rs.2.65 per share.

#### Information in respect of clause 12(j)

##### Share Transfer System

Share transfers in physical and demat form are processed by the Registrar and Share Transfer Agent, S. K. Infosolutions Pvt. Ltd. on regular basis. The transfer/transmission of shares is approved in accordance with the powers delegated by the Board of Directors to the Chairman, Managing Director and Company Secretary.



The shares lodged for transfers/dematerialisation are processed within 15 days from the date of the lodgement, if transfer instruments are found valid and complete in all respects.

As stipulated under Regulation 76(1) of SEBI (Depositories and Participants) Regulations, 2018, Smt. Kanchan Yadav of M/s. K. Y. & Associates, *Company Secretaries*, carries out the secretarial audit to reconcile the total admitted capital in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form and to confirm that the total listed and paid-up capital are in agreement with the aggregate number of shares. This audit is carried out in every quarter and the report is submitted to The Calcutta Stock Exchange Limited.

Pursuant to the provisions of Regulation 40(9) of the Listing Regulations, M/s. K. Y. & Associates, *Company Secretary*, also conducts audit of the Share Operations System of the Company maintained at the office of the RTA. The Company makes efforts to implement the suggestions/recommendations based on the audit outcome to the extent possible.

### Information in respect of clause 12(k)

#### (a) Distribution of shareholdings as on 31<sup>st</sup> March, 2024:

Category (No. of shares)	No. of shareholders	Percentage	No. of Shares	Percentage
Upto 500	1489	92.37	1,60,606	6.20
501 – 1000	78	4.84	55,168	2.13
1001 – 2000	20	1.24	26,392	1.02
2001 – 3000	10	0.62	24,902	0.96
3001 – 4000	3	0.19	11,050	0.43
4001 – 5000	–	–	–	–
5001 – 10000	–	–	–	–
10001 – 50000	–	–	–	–
50001 - 100000	3	0.19	2,12,614	8.21
100001 & above	9	0.55	20,98,758	81.05
<b>Total</b>	<b>1,612</b>	<b>100.00</b>	<b>25,89,490</b>	<b>100.00</b>

#### (b) Shareholding Pattern as on 31<sup>st</sup> March, 2024:

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
<b>Promoters/Promoters Group (A)</b>				
Promoter Directors and their relatives	8	0.50	19,41,858	74.99
<b>Sub-total (A)</b>	<b>8</b>	<b>0.50</b>	<b>19,41,858</b>	<b>74.99</b>
<b>Non-Promoters (B)</b>				
Resident Individuals	1544	95.78	617564	23.85
Domestic Companies	36	2.23	16735	0.65
NBFC	1	0.06	5	–
N. R. I.	11	0.68	5,766	0.22
Central Government	1	0.06	550	0.02
Foreign Companies	–	–	–	–
Mutual Fund	–	–	–	–
Financial Institutions	–	–	–	–
Nationalised Banks	11	0.68	7,012	0.27
F.I.I.S.	–	–	–	–
<b>Sub-total (B)</b>	<b>1604</b>	<b>99.50</b>	<b>647632</b>	<b>25.01</b>
<b>Total (A) + (B)</b>	<b>1,612</b>	<b>100.00</b>	<b>25,89,490</b>	<b>100.00</b>

#### 14 CEO/CFO Certification

Shri Sunil Jain, Managing Director and Shri Hari Shankar Budhia, CFO of the Company have provided compliance certificate to the Board of Directors as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 15. Declaration on Compliance of Company's Code of Conduct

Board of Directors of the Company have formulated a Code of Conduct applicable to all its members and Senior Management of the Company incorporating duties of independent directors which has been posted on the website of the Company [www.reliancejute.com](http://www.reliancejute.com). A declaration signed by the Managing Director of the Company affirming compliance of the Code of Conduct by the members of the Board of Directors and Senior Management of the Company is attached to this report.

#### 16. Corporate Governance Compliance

The Company has complied with the requirements as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of ensuring Corporate Governance.

#### 17. Other Disclosures

- a) Prior approval of the Audit Committee is obtained for all Related Party Transactions entered by the Company. During the financial year ended 31<sup>st</sup> March, 2024, the Company did not have any 'material' related party transaction that may have potential conflict with the interest of the Company at large.

The Disclosure on Related Party Transactions forms an integral part of the Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2024 as included in this Annual Report.

- b) There were no instances of non-compliances related to capital markets during the last year. No penalty/stricture was imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities on such matters.
- c) The Company has established an effective Vigil Mechanism System under the Chairman of Audit Committee. The Whistle Blower Policy of the Company is available on the website of the Company at [www.reliancejute.com](http://www.reliancejute.com). No person has been denied access to the Audit Committee.
- d) All mandatory requirements to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:
- i) The Chairman does not maintain any office at the expense of the Company;
  - ii) In view of publication of the Financial Results of the Company in newspapers having wide circulation and dissemination of the same on the website of the Company as well as on the website of the Stock Exchange, the Company does not consider it prudent to circulate the half-yearly results separately to the Shareholders;
  - iii) The Company's Financial Statements have been accompanied with unmodified audit opinion - both on quarterly and yearly basis;
  - iv) The Chairman and the Managing Director of the Company are two different individuals; and
  - v) The Internal Auditor of the Company reports directly to Audit Committee and is a permanent invitee to all the Audit Committee Meetings.

e) **Subsidiary Companies**

The Company does not have any subsidiary company.

f) The Board of Directors has adopted a Related Party Transactions Policy pursuant to the requirements of Section 188 of the Act and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Policy has been uploaded on the website of the Company at [www.reliancejute.com](http://www.reliancejute.com).

**g) Commodity price risk or foreign exchange risk and hedging activities:**

Information required under Clause 9(n) of Part C of Schedule V to the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November, 2018 is given hereunder:

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement.

Since the Company does not have any commodity price risk exposure hedged through commodity derivatives, accordingly, other details as required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November, 2018 is not applicable to the Company.

Further details relating to risks and activities including financial risk management have been adequately disclosed in Note No.53 to the Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2024.

- h) No funds were raised by the Company through preferential allotment or qualified institutions placement.
- i) In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended) and Rules framed thereunder, the number of complaints received during the financial year 2022-23 along with their status of redressal as on 31<sup>st</sup> March, 2024 are as under:

Number of complaints pending redressal as on 1 <sup>st</sup> April, 2023	Nil
Number of complaints filed during the financial year 2023-24	Nil
Number of complaints disposed of during the financial year 2023-24	Nil
Number of complaints pending redressal as on 31 <sup>st</sup> March, 2024	Nil

- j) Disclosure with respect to demat suspense account / unclaimed suspense account : Not applicable.

Other items which are not applicable to the Company have not been separately commented upon.

**For and on behalf of the Board**

**Surendra Kumar Agarwal**

**Chairman**

**(DIN: 00464907)**

**13/C, Kashinath Mullick Lane**

**Kolkata, the 10<sup>th</sup> day of August, 2024**

**Declaration regarding compliance of Code of Conduct as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I hereby declare that pursuant to Schedule V(D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Key Managerial Personnel (including Senior Management Personnel) of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31<sup>st</sup> March, 2024.

**For and on behalf of the Board**

**Surendra Kumar Agarwal**

**Chairman**

**(DIN: 00464907)**

**13/C, Kashinath Mullick Lane**

**Kolkata, the 10<sup>th</sup> day of August, 2024**

**Chief Executive Officer (CEO)/ Managing Director and Chief Financial Officer (CFO) Certifications required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
Reliance Jute Mills (International) Ltd.

We, Sunil Jain, Managing Director and Hari Shankar Budhia, CFO to the best of our knowledge and belief and under our respective capacity certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and based on our knowledge and belief, we state that
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the Indian Accounting Standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year ended 31<sup>st</sup> March, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee that –
- (i) there have not been any significant changes in internal control over financial reporting during the financial year ended 31<sup>st</sup> March, 2024;
  - (ii) there have not been any significant changes in accounting policies during the during the financial year ended 31<sup>st</sup> March, 2024 requiring disclosure in the notes to the financial statements; and
  - (iii) there have not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: Kolkata**  
**Date: 10<sup>th</sup> day of August, 2024**

**Hari Shankar Budhia**  
**Chief Financial Officer**

**Sunil Jain**  
**Managing Director**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024**

*[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  
Reliance Jute Mills (International) Limited  
13/C Kashi Nath Mullick Lane, Kolkata-700073

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Reliance Jute Mills (International) Limited (CIN-L17125WB1996PLC081382)** (herein after referred as 'the listed entity') having its Registered Office at 13/C, Kashi Nath Mullick Lane, 1<sup>st</sup> Floor, Kolkata-700073, Secretarial Review was conducted in a manner that provided us are as on able basis for evaluating the corporate conducts / statutory compliance sand to provide our observations there on.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on 31/03/2024 complied with the statutory provisions listed here under in the manner and subject to the reporting made here in after:

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

- (a) The Companies Act, 2013 (the Act) and the rules made there under;
- (b) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (c) 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
- (d) the Securities and Exchange Board of India Act, 1992 (" SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (e) the Securities Contracts (Regulation) Act, 1956 (" SCRA "), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India (" SEBI");

The specific Regulations, whose provisions and the circulars / guidelines issued there under, have been examined, include:-

- I. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- II. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
- III. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- IV. Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
- V. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period);**

- VI. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period);**
- VII. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- VIII. The Provision of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- IX. Other laws applicable specifically to the Company namely:
- Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
  - Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
  - Environment Protection Act, 1986 and the rules, notifications issued thereunder.
  - Factories Act, 1948 and allied State Laws.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- The Listing Agreements entered into by the Company with CSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, Except Puspendu Chattopadhyay, Whole Time Director (“WTD”) of the Company who attained the age of 70 Years is continuing to act as the WTD of the Company, here the Company has not passed any special resolution in this regard in-line with the provision u/s 196 of Companies Act, 2013 during the reporting period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within the prescribed time 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 the decisions of the Board and the Committees thereof were carried through with requisite majority.

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

**Place: Kolkata**  
**Date: 16<sup>th</sup> May, 2024**

**For K Y & Associates**  
**Company Secretaries**  
**CS KANCHAN YADAV**  
**(Proprietor)**  
**FCS No. 12845**  
**C P No.: 14939**  
**Peer Review No.: 3364/2023**  
**UDIN: F012845F000379301**

Note: This report is to be read with our letter of even date which is annexed as ‘Annexure A’ forming integral part of this report.

To,  
The Members  
Reliance Jute Mills (International) Limited  
13/C Kashi Nath Mullick lane Kolkata – 700073

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our 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.

nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For K Y & Associates**  
**Company Secretaries**  
**CS KANCHAN YADAV**  
**(Proprietor)**  
**FCS No. 12845**  
**C P No.: 14939**

**Place: Kolkata**  
**Date: 16<sup>th</sup> May, 2024**

**Peer Review No.: 3364/2023**  
**UDIN: F012845F000379301**



**Annexure – III**

**Information under Sec. 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 forming part of the Boards' Report for the financial year ended 31<sup>st</sup> March, 2024.**

**A. CONSERVATION OF ENERGY**

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

- a) Installation of energy efficient LED lights in place of conventional lights at different places within the factory premises to reduce redundant electricity consumption.
- b) Installation of energy efficient motors, energy efficient compressors and conditioners.
- c) Installation of energy efficient machinery looms, spinning frames, etc.,
- d) Optimum loading of motor or re-sizing of motor capacity according to application.
- e) Employees are continuously encouraged to save the natural resources to the extent possible through complaining.

**(ii) The steps taken by the Company for utilizing alternate sources of energy:**

- a) Uses of jute waste as Boiler fuel.
- b) Replacement of fossil fuel-based boilers with eco-friendly Bio-Mass waste-based boiler.
- c) Solar Power generation is under study.

**(iii) The capital investments on energy conservation equipment:**

The Company has made investments in various equipment for energy consumption during the year under review.

**B. TECHNOLOGY ABSORPTION**

**(i) The efforts made towards technology absorption:**

- a) The Company make efforts to adopt latest technology available for the Jute Industry. The Company also takes steps to upgrade its existing machinery to make them more efficient.
- b) The Company being member of the two most important bodies of the Jute Industry viz. Indian Jute Industries Research Association (IJIRA) and National Jute Board (NJB), keep itself abreast about technological development which are useful for the Jute Industry and decide how to take advantages of it.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

- a) Improvement in productivity, efficiency and environment.
- b) Cost reduction.

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

- a) The details of technology imported
  - b) The year of import
  - c) Whether the technology has been fully absorbed
  - d) If not fully absorbed, area where absorption has not taken place, and the reasons thereof
- } No technology has been imported during the last three years.

**(iv) Expenditure incurred on Research and Development:**

Capital	:	-
Recurring	:	-
Total	:	-

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

		(Amount Rs. in Lacs)	
Sl. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
(i)	Foreign exchange used	801.00	424.89
(ii)	Foreign exchange earned	86.97	22.68

**For and on behalf of the Board**  
**Surendra Kumar Agarwal**  
**Chairman**  
**(DIN: 00464907)**

**13/C, Kashi Nath Mullick Lane**  
**Kolkata, the 10<sup>th</sup> day of August, 2024**

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Requirements of Rules 5(1)		Details																					
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	:	<p><b>Executive Directors</b></p> <table border="1"> <tr><td>Shri Surendra Kumar Agarwal</td><td>N.A.</td></tr> <tr><td>Shri Sunil Jain</td><td>N.A.</td></tr> <tr><td>Shri Puspendu Chattopadhyay</td><td></td></tr> </table> <p><b>Non-Executive Directors</b></p> <table border="1"> <tr><td>Shri Mayank Goyal</td><td>N.A.</td></tr> <tr><td>Shri Akhil Jain</td><td>N.A.</td></tr> <tr><td>Shri Sudhir Kumar</td><td></td></tr> <tr><td>Shri Mohan Lal Agarwal</td><td></td></tr> <tr><td>Smt. Frenny Megotia</td><td></td></tr> </table>	Shri Surendra Kumar Agarwal	N.A.	Shri Sunil Jain	N.A.	Shri Puspendu Chattopadhyay		Shri Mayank Goyal	N.A.	Shri Akhil Jain	N.A.	Shri Sudhir Kumar		Shri Mohan Lal Agarwal		Smt. Frenny Megotia					
Shri Surendra Kumar Agarwal	N.A.																						
Shri Sunil Jain	N.A.																						
Shri Puspendu Chattopadhyay																							
Shri Mayank Goyal	N.A.																						
Shri Akhil Jain	N.A.																						
Shri Sudhir Kumar																							
Shri Mohan Lal Agarwal																							
Smt. Frenny Megotia																							
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	:	<p><b>Directors:</b></p> <table border="1"> <tr><td>Shri Surendra Kumar Agarwal</td><td>N.A.</td></tr> <tr><td>Shri Sunil Jain</td><td>N.A.</td></tr> <tr><td>Shri Mayank Goyal</td><td>N.A.</td></tr> <tr><td>Shri Akhil Jain</td><td>N.A.</td></tr> <tr><td>Shri Puspendu Chattopadhyay</td><td>-</td></tr> <tr><td>Shri Sudhir Kumar</td><td>-</td></tr> <tr><td>Shri Mohan Lal Agarwal</td><td>-</td></tr> <tr><td>Smt. Frenny Megotia</td><td>-</td></tr> </table> <p><b>Key Managerial Personnel:</b></p> <table border="1"> <tr><td>Shri D. K. Kothari -CFO</td><td>-</td></tr> <tr><td>Shri Rahul Agarwal - CS</td><td>-</td></tr> </table>	Shri Surendra Kumar Agarwal	N.A.	Shri Sunil Jain	N.A.	Shri Mayank Goyal	N.A.	Shri Akhil Jain	N.A.	Shri Puspendu Chattopadhyay	-	Shri Sudhir Kumar	-	Shri Mohan Lal Agarwal	-	Smt. Frenny Megotia	-	Shri D. K. Kothari -CFO	-	Shri Rahul Agarwal - CS	-
Shri Surendra Kumar Agarwal	N.A.																						
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Shri Puspendu Chattopadhyay	-																						
Shri Sudhir Kumar	-																						
Shri Mohan Lal Agarwal	-																						
Smt. Frenny Megotia	-																						
Shri D. K. Kothari -CFO	-																						
Shri Rahul Agarwal - CS	-																						
(iii)	The percentage increase in the median remuneration of employees in the financial year	:	1.21%																				
(iv)	The number of permanent employees on the rolls of Company	:	3,773																				
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	:	Nil																				
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	:	Remuneration paid during the year ended 31 <sup>st</sup> March, 2024 is as per the remuneration policy of the company.																				

**Note:**

- a) The Independent Directors of the Company are entitled to sitting fees and commission on Net Profits as per statutory provisions of the Companies Act, 2013 and as per terms approved by the Members of the Company. The details of remuneration of the Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above.
- b) Remuneration indicates annual total compensation, as recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors of the Company.

For and on behalf of the Board  
**Surendra Kumar Agarwal**  
 Chairman  
 (DIN: 00464907)

13/C, Kashi Nath Mullick Lane  
 Kolkata, the 10<sup>th</sup> day of August, 2024

## INDEPENDENT AUDITOR'S REPORT

### Independent Auditor's Report on Audited Annual Financial Statements of Reliance Jute Mills (International) Limited

To the Members of  
Reliance Jute Mills (International) Limited

#### Report on the Audit of the Annual Financial Results

#### Opinion

We have audited the accompanying annual financial Statements of **Reliance Jute Mills (International) Limited** (hereinafter referred to as the "Company") for the year ended March 31, 2024, which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss, including the statement of other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of matters stated in our "Basis for Qualified Opinion" paragraph below, the aforesaid annual 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 recognition and measurement principles laid down in the applicable Indian Accounting Standards ("IND AS") specified under section 133 of the Act read with Companies (Indian Accounting Standard Rules), 2015, As amended, (Ind As) and other accounting principles generally accepted in India, of the other comprehensive income and other financial information for the year ended March 31, 2024, the statement of assets and liabilities as at March 31, 2024 and the statement of cash flows for the year ended on that date.

#### Basis for Qualified Opinion

The Company has started generating cash profits during the current year ended 31st March, 2024. As a result of the cash losses incurred by the company during the preceding financial years, the net worth of the company has completely eroded and its current liabilities exceed its current assets. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, considering the cash profits generated by the company during the year ended 31st March 2024, and the increased financial support provided by current promoter group, the financial statements for the year ended 31st March, 2024 have been prepared on the going concern basis.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the annual financial statements.

#### Emphasis of Matter

We draw your attention to the following matters: -

1. Note 14.1 to the financial statements regarding insurance claim and interest thereon amounting to Rs. 684.20 Lakhs recognized in the Financial Year 2020-21 and shown as receivables as on 31st March, 2024 based on the favourable arbitration award. The insurance company has preferred an appeal against the aforesaid arbitration award and the Hon'ble High Court at Calcutta and based on High Court Order date April 7<sup>th</sup>, 2021, the Insurance Company has deposited an amount of Rs. 716 Lakhs with the registrar, Original side of Court on May 19, 2021. The final outcome of this matter is still awaited as on date of approval of these financial statements.
2. Note 19.5 to the financial statements regarding related registration of applicable charges with the registrar of companies, wherein the first pari-passu charge on Current Assets and Movable Fixed Assets of the Company on multiple credit facilities obtained from ICICI Bank has not been registered.

3. Note 50 to the financial statements: The Company has ascertained and recognised income tax expense / credit (deferred tax) for the first time while preparing the financial statements for F.Y. 2023-24. Considering that the company is in revival process, it was difficult for the Company to estimate profits/losses for the year and accordingly, the Company had not accounted for such Income Tax expense / credit in the quarterly results. The company has recognised such Income Tax expense/credit for the first time while preparing the financial statements for the financial year 2023-24. As at the reporting date, the Company has deferred tax assets (net) amounting to Rs.2689.80 lakhs primarily towards unabsorbed depreciation, business losses and items of expenses having timing differences incurred by the Company during the current & earlier years. In order to determine the recoverability of such deferred tax assets, the management has projected its book profits & tax profits and based on such projections, the Company is confident that sufficient taxable profits would be available in future against which such Deferred tax assets can be adjusted.

Our opinion on the annual financial statements is not modified in respect of the above matters.

### Key Audit Matters

Key audit matters are those matters that, in a professional judgement, were of most significance in our audit of the financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters	How our audit addressed the key audit matters
<p><b>Inventory Valuation &amp; Existence</b> <b>(Refer to Notes to the financial statements)</b></p> <p>As described in the accounting policies in note 3.1 to the financial statements, inventories are carried at the lower of cost and NRV. Inventories valuation and existence is a significant audit risk. This could result in an overstatement of the value of the inventories if the cost is higher than the NRV. Furthermore, the assessment and application of inventories provision are subject to significant management judgement.</p>	<p>We obtained assurance over the appropriateness of the management's assumption applied in calculating the value of the inventories and related provisions by:-</p> <ol style="list-style-type: none"> <li>Completing a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification.</li> <li>Verifying for a sample of individual products that costs have been correctly recorded.</li> <li>Comparing the NRV to the cost price of inventories to check for completeness of the associated provisions.</li> <li>Recomputing provisions recorded to verify that they are in line with the company policy.</li> </ol>
<p><b>Assessment of excess input tax credit claimed under Goods &amp; Service Tax</b></p> <p>GST Liabilities may arise in the future on account of Excess claim of ITC pertaining to financial year 2020-21. which has been disclosed under contingent liabilities note 39.1 of the financial statements as at 31.03.2024.</p> <p>Significant management judgement is required to assess these matters and to determine the probability of material outflow of economic resources and whether a provision should be recognised or disclosure to be made.</p>	<ol style="list-style-type: none"> <li>We obtained a detailed understanding, assessed and tested the design and operating effectiveness of controls surrounding assessment of claiming the input tax credit.</li> <li>We discussed with the management about status of the matters to establish appropriateness of disclosures.</li> <li>We performed our assessment on the underlying calculations supporting the disclosure made in the financial statements.</li> <li>We assessed the adequacy of the companies' disclosure.</li> </ol>

## Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

In preparing the annual financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual financial statements.

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

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

- Conclude on the appropriateness of the Management and the Board of Directors 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 appropriateness of this assumption. 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the 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 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the Annexure - 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
  - d. In our opinion, except for the possible effects of the matter described in the basis for qualified opinion, the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e. The matter mentioned in basis of qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - f. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.



- g. 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 - 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h. In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the act; and
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) Pending litigations (other than those already recognised in the accounts) having material impact on the financial position of the company have been disclosed in the financial statements as required in terms of accounting standards and provisions of the Companies Act, 2013.
  - ii) The Company does not have any long-term contracts including derivative contracts requiring a provision for material foreseeable losses.
  - iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
  - iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or investing other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances nothing has come to their notice that has caused them to believe that the representations under sub-clause(i) and (ii) contain any material mis-statement.
  - v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
  - vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts for financial year ended March 31st 2024, which has a feature of recording, audit trail (edit log) facility and the same has operated throughout the year, for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with

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

**For Anand Gupta & Associates**  
**Chartered Accountants**  
**(Firm Regn No.: 330186E)**  
**(Rahul Surana)**  
**Partner**  
**M. No.: 309619**  
**UDIN: 24309619BKFNZ6388**

**Place: Kolkata**  
**Date: 16<sup>th</sup> day of May, 2024**



**ANNEXURE - 1 to the INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other legal and Regulatory Requirements' section of our report to members of **Reliance Jute Mills (International) Limited** of even date)

**Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") of even date to the members of Reliance Jute Mills (International) Limited on the accounts of the company for the year ended 31st March, 2024**

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- (i) According to the information and explanations given to us and on an overall examination of the financial statements of the company, in respect of the company's Property, Plant & Equipment and Intangible Assets, we report:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets
  - (b) Property, Plant & Equipment have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. and no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
  - (d) The Company has not revalued its Property, Plant & Equipment or Intangible Assets or both during the year ended March 31,2023 and therefore this clause does not apply to the company.
  - (e) There are no proceedings initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act,1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that Inventories (excluding inventories in transit) have been physically verified by the management at regular intervals and the coverage and procedure of such verification is appropriate. Accordingly, no discrepancies (10% or more) have been noticed pertaining to any item for each class of inventory.
- (b) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that during the year, the Company was sanctioned a working capital limits in the form of Cash Credit in excess of Rs. 5 crores from ICICI Bank Ltd. The cash-credit facility received by ICICI Bank are secured by hypothecation of pari-passu charge of current assets and movable fixed assets with Punjab National Bank. No monthly returns were filed by the company as the facilities were sanctioned in the month of February, 2024 and disbursed in March, 2024. As informed, the monthly returns to be filed with the bank, shall be filed from the month of April 2024 onwards.
- (iii) According to the information and explanations given to us and on overall examination of the financial statements of the company, we report that during the year the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans to any companies, firms, LLP's or any other parties. Therefore, reporting under clause 3(iii) of the order does not apply to the company.
- (iv) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the company, we report that the company has not granted any loan or made any investments or provided any guarantee or security under section 185 and 186 of the Companies Act 2013. Therefore, reporting under clause 3(iv) of the order does not apply to the company.

- (v) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the company, we report that the company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and rules made thereunder. Accordingly, the company is not required to report on Clause 3(v) of the Order.
- (vi) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that we have broadly reviewed the accounts and records maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013. We are of the opinion, that prima-facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- (vii) According to the information and explanations given to us and on an overall examination of the financial statements and records of the company, in respect of statutory dues, we report that:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Professional Tax, Goods & Service Tax, Customs Duty and other material statutory dues applicable to it. Based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except for the Pension Fund part of the employer contribution to PF for the period from January 2022 to September 2022 relating to some of workers/employees was not deposited on account of KYC failure at the end of the PF department.
  - (b) There are no statutory dues of Provident Fund, Employees' State Insurance, Income-Tax, Professional Tax, Goods & Service Tax, Customs Duty and other material statutory due referred to in sub-clause (a) which have not been deposited on account of any dispute at the year end. Refer Note 39(1)(a) to financial statements for Settlement of Disputes of Sales Tax and VAT for the F.Y. 2004-05 to F.Y. 2017-18.
- (viii) According to the information and explanations given to us we report that during the year, in course of any assessment proceedings under the Income Tax Act, 1961, the company has not surrendered any transactions as not recorded in the books of account or disclosed any income as undisclosed income.
- (ix) According to the information and explanations given to us and on an overall examination of the financial statements of the company, in respect of loans taken, we report that:
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any bank or financial institution or government.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has applied the term loan for the purpose for which the loan was obtained.
  - (d) The Company has no funds raised on short-term basis that have been utilised for long term purposes.
  - (e) The Company has no subsidiaries, associates or joint ventures; therefore, reporting under clause 3(ix)(e) of the order does not apply to the company.
  - (f) The Company has no subsidiaries, joint ventures or associate companies therefore, reporting under clause 3(ix)(f) of the order does not apply to the company.
- (x) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that:
- (a) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year, therefore this clause does not apply to the company.
  - (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, therefore this clause does not apply to the company.

- (xi) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that:
- (a) No fraud by the company or any 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 by the cost auditor/secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the matters required to be reported as per Clause 3(xii) of the Order does not apply to the company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date of audit report, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order does not apply to the Company.
- (xvii) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company we report that the Company has earned cash profits of Rs. 615.44 Lakhs in the Financial Year and incurred cash losses of Rs. 823.62 Lakhs in the immediately preceding Financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company we report that the provisions of Sec. 135 of the Act in reference to Corporate Social Responsibility does not apply to the company, therefore, reporting under clause 3(xx) of the order does not apply to the company.
- (xxi) The company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(xxi) of the order does not apply to the company.

**For Anand Gupta & Associates**  
**Chartered Accountants**  
**(Firm Regn No.: 330186E)**  
**(Rahul Surana)**  
**Partner**  
**M. No.: 309619**  
**UDIN: 24309619BKFNNZ6388**

**Place: Kolkata**  
**Date: 16<sup>th</sup> day of May, 2024**

## ANNEXURE - 2 to the INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other legal and Regulatory Requirements' section of our report to members of Reliance Jute Mills (International) Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Reliance Jute Mills (International) Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company 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 Anand Gupta & Associates***  
***Chartered Accountants***  
***(Firm Regn No.: 330186E)***  
***(Rahul Surana)***  
***Partner***

**Place: Kolkata**  
**Date: 16<sup>th</sup> day of May, 2024**

**M. No.: 309619**  
**UDIN: 24309619BKFNNZ6388**

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2024

CIN: L17125WB1996PLC081382

(Amount Rs. in Lacs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I) ASSETS</b>			
<b>1) NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	9,859.73	8,462.10
Capital Work-in-Progress		-	59.35
Other Intangible Asset	5	26.29	8.87
Financial Assets:			
Other Non-Current Financial Assets	6	26.79	26.79
Deferred Tax Assets	7	2,689.80	-
Other Non-Current Assets	8	47.30	62.27
		<b>12,649.91</b>	<b>8,619.37</b>
<b>2) CURRENT ASSETS</b>			
Inventories	9	5,074.85	4,475.01
Financial Assets:			
Trade Receivables	10	1,045.47	1,582.26
Cash and Cash Equivalents	11	1.68	187.46
Bank Balance other than Cash and Cash Equivalents	12	60.03	56.64
Loans	13	-	-
Other Current Financial Assets	14	956.97	986.62
Current Tax Assets (Net)	15	98.23	81.06
Other Current Assets	16	265.24	284.23
		<b>7,502.47</b>	<b>7,653.27</b>
		<b>20,152.38</b>	<b>16,272.64</b>
<b>TOTAL ASSETS</b>			
<b>II) EQUITY AND LIABILITIES</b>			
<b>1) EQUITY</b>			
Equity Share Capital	17	258.95	258.95
Other Equity	18	(1,365.48)	(4,105.70)
<b>TOTAL EQUITY</b>		<b>(1,106.53)</b>	<b>(3,846.75)</b>
<b>2) LIABILITIES</b>			
<b>(i) NON-CURRENT LIABILITIES</b>			
Financial Liabilities:			
Borrowings	19	3,665.11	2,179.20
Other Non-Current Financial Liabilities	20	3,896.43	3,896.88
Provisions	21	3,853.39	3,917.06
Other Non-Current Liabilities	22	28.50	43.98
		<b>11,443.43</b>	<b>10,037.12</b>
<b>(ii) CURRENT LIABILITIES</b>			
Financial Liabilities:			
Borrowings	23	1,489.88	215.62
Trade Payables	24		
a) Total outstanding dues of Micro Enterprise and Small Enterprise		-	-
b) Total outstanding dues other than Micro Enterprise and Small Enterprise		6,670.45	8,534.93
Other Current Financial Liabilities	25	6.63	0.50
Contract Liabilities	26	6.87	50.59
Other Current Liabilities	27	1,171.55	633.67
Provisions	28	470.10	646.96
		<b>9,815.48</b>	<b>10,082.27</b>
<b>TOTAL LIABILITIES</b>		<b>21,258.91</b>	<b>20,119.39</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,152.38</b>	<b>16,272.64</b>
Summary of Significant Accounting Policies	3		
The accompanying notes are an integral part of the Financial Statements			

**As per our Report annexed**  
**For Anand Gupta & Associates**  
**Chartered Accountants**  
**FRN No. 330186E**

**Rahul Surana**  
**Partner**  
**Membership No.309619**  
**UDIN: 24309619BKFNZ6388**  
**Kolkata, the 16<sup>th</sup> day of May, 2024**

**Surendra Kumar Agarwal**  
**Sunil Jain**

**Mayank Goyal**  
**Akhil Jain**  
**Deo Kishan Kothari**  
**Rahul Agarwal**

**On behalf of the Board of Directors**

**: Chairman (DIN: 00464907)**  
**: Managing Director (DIN: 00486597)**  
**: Director (DIN: 06476192)**  
**: Director (DIN: 06635949)**  
**: Chief Financial Officer**  
**: Company Secretary (M.N. ACS49475)**

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024**
**CIN: L17125WB1996PLC081382**

	Particulars	Note No.	(Amount Rs.in Lacs)	
			As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I)</b>	<b>INCOME</b>			
	Revenue from Operations	29	33,492.05	30,456.96
	Other Income	30	86.06	13.44
	<b>Total Income (I)</b>		<b>33,578.11</b>	<b>30,470.40</b>
<b>II)</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	31	20,395.78	21,432.16
	Cost of Raw Jute Sold	32	171.69	43.53
	Changes in Inventories of Finished Goods & Work-in-Progress	33	(72.94)	(1,690.66)
	Employee Benefits Expense	34	7,147.24	7,272.66
	Finance Costs	35	911.65	641.99
	Depreciation and Amortization Expense	36	496.62	196.24
	Other Expenses	37	4,355.36	3,656.22
	<b>Total Expenses (II)</b>		<b>33,405.40</b>	<b>31,552.14</b>
<b>III)</b>	<b>Profit/(Loss) before Exceptional Item &amp; Taxation (I-II)</b>		<b>172.71</b>	<b>(1,081.74)</b>
<b>IV)</b>	<b>Exceptional Items</b>			
	Exceptional Gain/(Loss)		(53.89)	61.88
			(53.89)	61.88
<b>V)</b>	<b>Profit/(Loss) before Taxation (III+IV)</b>		<b>118.82</b>	<b>(1,019.86)</b>
<b>VI)</b>	<b>Tax Expenses</b>			
	Current Tax		-	-
	Deferred Tax (Refer Note 50)	38	(2,689.80)	-
	Income Tax for earlier years		-	2.05
	<b>Total Tax Expenses</b>		<b>(2,689.80)</b>	<b>2.05</b>
<b>VII)</b>	<b>Profit/(Loss) for the year (V-VI)</b>		<b>2,808.62</b>	<b>(1,021.91)</b>
<b>VIII)</b>	<b>Other Comprehensive Income (OCI)</b>			
	Other Comprehensive Income not to be reclassified to Statement of Profit or Loss in subsequent periods:			
	Re-Measurement gains/(losses) on defined benefit plans		(68.40)	135.05
	Income Tax effect on above		-	-
	<b>Other Comprehensive Income for the year, net of tax</b>		<b>(68.40)</b>	<b>135.05</b>
<b>IX)</b>	<b>Total Comprehensive Income for the year (VII+VIII)</b>		<b>2,740.22</b>	<b>(886.86)</b>
	Earnings per share-Basic and Diluted (in INR)	41	108.46	(39.46)
	Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the Financial Statements

**As per our Report annexed**
**For Anand Gupta & Associates**
**Chartered Accountants**
**FRN No. 330186E**
**Rahul Surana**
**Partner**
**Membership No.309619**
**UDIN: 24309619BKFNNZ6388**
**Kolkata, the 16<sup>th</sup> day of May, 2024**
**Surendra Kumar Agarwal**
**Sunil Jain**
**Mayank Goyal**
**Akhil Jain**
**Deo Kishan Kothari**
**Rahul Agarwal**
**On behalf of the Board of Directors**
**: Chairman**
**(DIN: 00464907)**
**: Managing Director**
**(DIN: 00486597)**
**: Director**
**(DIN: 06476192)**
**: Director**
**(DIN: 06635949)**
**: Chief Financial Officer**
**: Company Secretary**
**(M. N. ACS 49475)**



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

A.	(Amount Rs. in Lacs)				
<b>Equity Share Capital</b>					
<b>Balance as at March 31, 2022</b>	<b>258.95</b>				
Add/(Less) Changes in Equity Share Capital during the year	–				
<b>Balance as at March 31, 2023</b>	<b>258.95</b>				
Add/(Less) Changes in Equity Share Capital during the year	–				
<b>Balance as at March 31, 2024</b>	<b>258.95</b>				
<b>B. Other Equity</b>					
Particulars	Reserves and Surplus			Item of other Comprehensive Income	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	Re-Measurement of Defined Benefit Plans	
<b>Balance as at March 31, 2022</b>	<b>35.00</b>	<b>32.19</b>	<b>(3,286.03)</b>	–	<b>(3,218.84)</b>
Profit/(Loss) for the year	–	–	(1,021.91)	–	(1,021.91)
Transfer of OCI – Re-measurement to Retained Earnings	–	–	135.05	(135.05)	–
Re-measurement Gain/(Loss) (Net of Deferred Tax)	–	–	–	135.05	135.05
<b>Balance as at March 31, 2023</b>	<b>35.00</b>	<b>32.19</b>	<b>(4,172.89)</b>	–	<b>(4,105.70)</b>
Profit/(Loss) for the year	–	–	2,808.62	–	2,808.62
Transfer of OCI-Re-measurement to Retained Earnings	–	–	(68.40)	68.40	–
Re-measurement Gain/(Loss) (Net of Deferred Tax)	–	–	–	(68.40)	(68.40)
<b>Balance as at March 31, 2024</b>	<b>35.00</b>	<b>32.19</b>	<b>(1,432.67)</b>	–	<b>(1,365.48)</b>

Significant Accounting Policies 3

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

**As per our Report annexed  
For Anand Gupta & Associates**

**Chartered Accountants**  
**FRN No. 330186E**  
**Rahul Surana**  
**Partner**  
**Membership No.309619**  
**UDIN: 24309619BKFNNZ6388**  
**Kolkata, the 16<sup>th</sup> day of May, 2024**

**Surendra Kumar Agarwal**  
**Sunil Jain**  
**Mayank Goyal**  
**Akhil Jain**  
**Deo Kishan Kothari**  
**Rahul Agarwal**

**On behalf of the Board of Directors**

**: Chairman (DIN: 00464907)**  
**: Managing Director (DIN: 00486597)**  
**: Director (DIN: 06476192)**  
**: Director (DIN: 06635949)**  
**: Chief Financial Officer**  
**: Company Secretary (M.N.ACS49475)**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

CIN: L17125WB1996PLC081382

(Amount Rs.in Lacs)

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Taxes as per Statement of Profit & Loss	118.82	(1,019.86)
<b>Adjustments for:</b>		
Depreciation/Amortization (Net)	496.62	196.24
(Profit)/Loss on sale or discard of Property, Plant & Equipment	(69.96)	3.88
Finance Cost	911.65	641.99
Sundry Balances written off	-	0.33
Deferred grant income	(15.48)	(16.75)
Bad Debt written off	-	-
Interest Income	(4.70)	(3.67)
(Profit)/Loss on Sale of Investments	-	-
Liabilities no longer required written back	(8.26)	(7.70)
Exceptional Item	53.89	(61.88)
<b>Operating Profit before Working Capital Changes</b>	<b>1,482.58</b>	<b>(267.42)</b>
<b>Movements in Working Capital:</b>		
Decrease/(Increase) in Inventories	(599.84)	(3,574.29)
Decrease/(Increase) in Trade Receivables	536.79	(1,457.80)
Decrease/(Increase) in Financial Assets	29.66	(39.73)
Decrease/(Increase) in Non-Financial Assets	33.95	(198.20)
Increase/(Decrease) in Trade Payables	(1,856.23)	4,262.37
Increase/(Decrease) in Financial Liabilities	563.50	3,896.88
Increase/(Decrease) in Non-Financial Liabilities	(69.78)	500.81
Increase/(Decrease) in Provisions	(308.92)	158.62
<b>Cash generated from Operating Activities</b>	<b>(188.28)</b>	<b>3,281.23</b>
Direct Taxes Paid (net of refunds)	(17.17)	(17.05)
<b>Net Cash generated/(used) from Operating Activities</b>	<b>(205.45)</b>	<b>3,264.18</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including CWIP and Capital Advances	(1,916.07)	(1,973.36)
Sale/Adjustment of Fixed Assets	133.70	43.00
Proceeds from/(Investment in) fixed deposit having maturity more than 3 months (Net)	(3.40)	(3.60)
Investment in fixed deposit having maturity more than 3 months (Net)	-	-
Sale of Investment	-	-
Interest Received	4.68	4.61
Receipt of Capital Subsidy	-	-
<b>Net Cash generated/(used) from Investing Activities</b>	<b>(1,781.08)</b>	<b>(1,929.35)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	1,469.53	(215.56)
Repayment of long term borrowings	-	-
Proceeds/(Repayment) from short term borrowings (Net)	1,220.37	(347.70)
Interest Paid	(889.14)	(630.05)
<b>Net Cash generated/(used) from Financing Activities</b>	<b>1,800.76</b>	<b>(1,193.31)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(185.78)</b>	<b>141.52</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>187.46</b>	<b>45.93</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>(1.68)</b>	<b>187.46</b>

## Notes to the Cash Flow Statement

(Amount Rs. in Lacs)

	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1) Components of Cash and Cash Equivalents		
Balance with Banks;		
In Current Accounts	–	186.22
Cash in hand	1.68	1.23
<b>Cash and Cash Equivalents (Refer Note 11)</b>	<b>1.68</b>	<b>187.46</b>

2) The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in IND AS-7, "Statement of Cash Flows".

3) Statement of Reconciliation of Financing Activities:

(Amount Rs. In Lacs)

Particulars	Non-Current borrowings (Including current maturities)	Current borrowings
<b>Balance as at 1<sup>st</sup> April, 2023 (including interest accrued thereon)</b>	<b>2,841.82</b>	2,491.67
Cash Flow (Net)	<b>1,469.53</b>	(215.56)
<b>Non-Cash Changes:</b>		
Cash Credit converted to Working Capital Term Loan	–	–
Exceptional Item (Loan Written Back)	–	–
Interest Expense	<b>672.61</b>	569.23
Interest paid	<b>6.13</b>	(3.53)
<b>Balance as at 31<sup>st</sup> March, 2024 (including interest accrued thereon)</b>	<b>4,990.09</b>	2,841.82

4) Figures in brackets represents outflows/deductions

5) Previous year's figures have been re-grouped/reclassified wherever necessary.

**As per our Report annexed  
For Anand Gupta & Associates**

**Chartered Accountants**

**FRN No. 330186E**

**Rahul Surana**

**Partner**

**Membership No.309619**

**UDIN: 24309619BKFNNZ6388**

**Kolkata, the 16<sup>th</sup> day of May, 2024**

**Surendra Kumar Agarwal**

**Sunil Jain**

**Mayank Goyal**

**Akhil Jain**

**Deo Kishan Kothari**

**Rahul Agarwal**

**On behalf of the Board of Directors**

**: Chairman (DIN: 00464907)**

**: Managing Director (DIN: 00486597)**

**: Director (DIN: 06476192)**

**: Director (DIN: 06635949)**

**: Chief Financial Officer**

**: Company Secretary (M.N.ACS49475)**

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 1. CORPORATE AND GENERAL INFORMATION

Reliance Jute Mills (International) Limited (the Company) having its registered office at **13/C, Kashinath Mullick Lane, 1st Floor, Kolkata-700073**. The Company is a Public Limited Company domiciled in India & is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on the Calcutta Stock Exchange Limited. The Company manufactures jute products and jute fabrics with flexibility to cater to both domestic and international market. The mill is located at Bhatpara, 24 Parganas (North) in the state of West Bengal, India.

The financial statements are approved for issue by the Company's Board of Directors on 16<sup>th</sup> May, 2024.

### 2. BASIS OF ACCOUNTING

#### 2.1 Statement of Compliance

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

#### 2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value;

#### 2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees INR (Lacs), which is also the Company's functional currency. All financial information presented in INR (Lacs) as per the requirements of Schedule III, unless otherwise stated.

#### 2.4 Use of Estimates and Judgements

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

#### 2.5 Current vs. Non-Current classification

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

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

All the other assets are classified as non-current.

A liability is current when:

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

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 2.6 Adoption of new accounting standards

Ministry of Corporate Affairs ("MCA") issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the company in its financial statements. These amendments are applicable to the company for the period starting 1st April, 2021.

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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

- **Ind AS 103– Reference to Conceptual Framework** - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- **Ind AS 16 – Proceeds before intended use** - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.
- **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract** - The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.
- **Ind AS 109 – Annual Improvements to Ind AS (2021)** - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- **Ind AS 106 – Annual Improvements to Ind AS (2021)** - The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

Based on preliminary assessment, the Company does not expect the amendments listed above to have any significant impact in its financial statements.

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. On 31<sup>st</sup> March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1<sup>st</sup> April 2023, as below:

- ❖ **Ind AS 1 – Material accounting policies** : The amendments mainly related to shifting of disclosure of erstwhile "significant accounting policies" in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more "entity specific". This amendments aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The company doesn't expect the amendment to have any significant impact in its financial statements.
- ❖ **Ind AS 8 – Definition of accounting estimates** : The amendments specify definition of 'change in accounting estimate' replaced with the definition of 'accounting estimates'. The company doesn't expect the amendment to have any significant impact in its financial statements.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- ❖ **Ind AS 12 – Income taxes – Annual Improvements to Ind AS (2021)** : The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption doesn't apply. Also, if a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1<sup>st</sup> April 2022. The company doesn't expect the amendment to have any significant impact in its financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

#### 3.1 Inventories

- Stores and Spare parts are valued at cost, which is computed on weighted average basis.
- Raw Materials are valued at cost or net realisable value whichever is lower. Cost is computed on individual lot basis and includes procurement charges. Materials and other items held for uses in the production of Inventories are not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished Goods and work in process are valued at lower of the cost or net realisable value. Cost is estimated cost which represents direct material and appropriate portion of direct labour and manufacturing overheads.

#### 3.2 Cash and Cash Equivalents

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

#### 3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

##### 3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

##### 3.3.2. Deferred Tax

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.4 Property, Plant and Equipment

#### 3.4.1. Recognition and Measurement:

- Property, plant and equipment, except Freehold Land, held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Freehold land has been stated at fair value considered as deemed cost on the date of transition. The difference between carrying amount of such land and fair value less any impairment loss along with amount lying under revaluation reserve as on the date of transition has been adjusted in Retained Earnings under the head "Other equity".
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met and any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

#### 3.4.2. Subsequent Expenditure

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

#### 3.4.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act except in "Plant & Machinery" where the useful life is considered as 20 years which is in excess than life prescribed under Schedule - II as estimated by Chartered Engineers on the basis of technical evaluation.
- Each part of items of property plant & equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Certain components of property plant & equipment as identified by the company have been depreciated at their respective useful lives ranging between 5 and 15 years.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.4.4. Disposal of Assets

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

### 3.4.5. Capital Work in Progress

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

## 3.5 Leases:

### 3.5.1. Company as Lessor

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 3.5.2. Company as Lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

#### ➤ **Right-of-use Assets (ROU Assets)**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.12 Impairment of non-financial assets.

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### ➤ Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

### ➤ Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

## 3.6 Revenue Recognition

- Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

### 3.6.1. Sale of Goods

Revenue from the sale of goods is recognized upon transfer of control of ownership to customers and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

### 3.6.2. Interest Income

For financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 3.6.3. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

### 3.6.4. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

## 3.7 Employee Benefits

### 3.7.1. Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

### 3.7.2. Other Long Term Employee Benefits

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

### 3.7.3. Post-Employment Benefits

The Company operates the following post-employment schemes:

#### ➤ Defined Benefit Plans

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

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

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

#### ➤ Defined Contribution Plan

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful life of the related asset and presented within other operating revenue.

### 3.9 Foreign Currency Transactions

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

### 3.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

- Transaction costs in respect of long-term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 3.11 Financial Instruments

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

#### 3.11.1. Financial Assets

##### ➤ Initial Recognition and Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### ➤ Classification and Subsequent Measurement:

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- **Measured at Amortized Cost:**

A Financial Asset is measured at the amortized cost if both the following conditions are met:

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

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

- **Measured at FVTOCI:**

A Financial Asset is measured at the FVTOCI if both the following conditions are met:

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

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

- **Measured at FVTPL:**

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

- **Equity Instruments measured at FVTOCI:**

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

- ✓ **De-recognition**

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

- ✓ **Impairment of Financial Assets**

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 3.11.2. Financial Liabilities

#### ➤ Initial Recognition and Measurement:

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

#### ➤ Subsequent Measurement:

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

#### ➤ Derecognition

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

#### ➤ Offsetting financial instruments

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

### 3.11.3. Derivative Financial Instruments:

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

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

### 3.12 Impairment of Non-Financial Assets

➤ The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

➤ An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### 3.13 Provisions, Contingent Liabilities and Contingent Assets

#### 3.13.1. Provisions

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### Onerous Contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

### 3.13.2. Contingent Liabilities

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

### 3.13.3. Contingent Assets

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

## 3.14 Intangible Assets

### 3.14.1. Recognition and Measurement

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

### 3.14.2. Subsequent Expenditure

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

### 3.14.3. Amortization

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

### 3.14.4. Intangible Assets under Development

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

## 3.15 Non-Current Assets (or disposal groups) held for Sale and Discontinued Operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or re-measurements of discontinued operations is presented as part of a single line item in statement of profit and loss.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 3.16 Earnings per Share:

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

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

### 3.17 Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

### 3.18 Measurement of Fair Values

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

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

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

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

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

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

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

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

### 3.19 Significant Judgements and Key Sources of Estimation in applying Accounting Policies

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

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- **Useful lives of Depreciable/ Amortisable Assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 4. PROPERTY PLANT AND EQUIPMENT

(Amount Rs.in Lacs)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at 31.03.2023	Additions	Sale/ Disposal	As at 31.03.2024	As at 31.03.2023	For the year	Sale/ Disposal	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land	5,814.74	-	-	5,814.74	-	-	-	-	5,814.74	5,814.74
Buildings	586.22	448.78	-	1,035.00	75.68	18.75	-	94.44	940.57	510.54
Plant & Machinery	5,671.66	1,395.07	55.05	7,011.68	3,607.26	456.60	50.66	4,013.20	2,998.48	2,064.40
Vehicles	55.96	13.60	-	69.56	16.49	6.69	-	23.18	46.39	39.48
Furniture & Fittings	30.55	5.02	-	35.58	19.85	1.50	-	21.35	14.22	10.70
Computer	49.82	3.37	-	53.20	44.45	1.98	-	46.42	6.78	5.38
Office Equipment	59.54	25.72	-	85.25	42.68	4.02	-	46.69	38.56	16.86
<b>Total</b>	<b>12,268.51</b>	<b>1,891.57</b>	<b>55.05</b>	<b>14,105.02</b>	<b>3,806.41</b>	<b>489.54</b>	<b>50.66</b>	<b>4,245.29</b>	<b>9,859.73</b>	<b>8,462.10</b>

#### CAPITAL WORK-IN-PROGRESS-PLANT & MACHINERY

Plant & Machinery	59.35	-	59.35	-	-	-	-	-	-	59.35
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Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at 31.03.2022	Additions	Sale/ Disposal	As at 31.03.2023	As at 31.03.2022	For the year	Sale/ Disposal	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Land	5,814.74	-	-	5,814.74	-	-	-	-	5,814.74	5,814.74
Buildings	180.54	405.69	-	486.22	63.36	12.32	-	75.68	510.54	117.18
Plant & Machinery	4,236.29	1,435.37	-	5,671.66	3,431.01	176.25	-	3,607.26	2,064.40	805.27
Vehicles	169.73	38.30	152.06	55.96	117.28	4.40	105.19	16.49	39.48	52.45
Furniture & Fittings	21.58	8.97	-	30.55	18.70	1.15	-	19.85	10.70	2.88
Computer	45.91	3.91	-	49.82	44.20	0.25	-	44.45	5.38	1.72
Office Equipment	46.67	12.87	-	59.54	40.83	1.85	-	42.68	16.86	5.84
<b>Total</b>	<b>10,515.46</b>	<b>1,905.11</b>	<b>152.06</b>	<b>12,268.51</b>	<b>3,715.38</b>	<b>196.22</b>	<b>105.19</b>	<b>3,806.41</b>	<b>8,462.10</b>	<b>6,800.10</b>

#### CAPITAL WORK-IN-PROGRESS-PLANT & MACHINERY

Plant & Machinery	-	59.35	-	59.35	-	-	-	-	59.35	-
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#### Notes:

4.1 Refer Note – 19 & 23 for information on Property, Plant & Equipment pledged as security by the Company.

### 5. OTHER INTANGIBLE ASSET

Particulars	Gross Carrying Value				Amortization				Net Carrying Value	
	As at 31.03.2023	Additions	Sale/ Disposal	As at 31.03.2024	As at 31.03.2023	For the year	Sale/ Disposal	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer Software	34.35	24.50	-	58.85	25.47	7.08	-	32.56	26.29	8.87
<b>Total</b>	<b>34.35</b>	<b>24.50</b>	<b>-</b>	<b>58.85</b>	<b>25.47</b>	<b>7.08</b>	<b>-</b>	<b>32.56</b>	<b>26.29</b>	<b>8.87</b>

Particulars	Gross Carrying Value				Amortization				Net Carrying Value	
	As at 31.03.2022	Additions	Sale/ Disposal	As at 31.03.2023	As at 31.03.2022	For the year	Sale/ Disposal	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	25.45	8.90	-	34.35	25.45	0.02	-	25.47	8.87	0.00
<b>Total</b>	<b>25.45</b>	<b>8.90</b>	<b>-</b>	<b>34.35</b>	<b>25.45</b>	<b>0.02</b>	<b>-</b>	<b>25.47</b>	<b>8.87</b>	<b>0.00</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

		(Amount Rs. in Lacs)	
		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>6. OTHER NON-CURRENT FINANCIAL ASSETS</b>			
	<b>Unsecured considered good</b>		
	Indirect Tax Refundable	26.79	26.79
		<u>26.79</u>	<u>26.79</u>
<b>7. DEFERRED TAX ASSETS</b>			
	Deferred Tax Assets	2,689.80	–
		<u>2,689.80</u>	<u>–</u>
<b>8. OTHER NON-CURRENT ASSETS</b>			
	Prepaid Expenses	8.33	8.82
	Deposits against demand under dispute	37.05	52.52
	Others*	1.92	0.92
		<u>47.30</u>	<u>62.27</u>
	*Includes balances with various parties		
<b>9. INVENTORIES</b>			
	<b>(As valued and certified by the Management)</b>		
	Raw Materials (Raw Jute)	2,171.08	1,595.95
	Raw Material (Jute Yarn)	43.32	81.08
	Finished Goods (Jute Goods):		
	At Mill	1,298.76	1,138.01
	In Transit	–	32.56
	Work-in-Progress	1,228.98	1,284.22
	Stores and Spares	332.71	343.19
		<u>5,074.85</u>	<u>4,475.01</u>
<b>10. TRADE RECEIVABLES</b>			
	Trade Receivables considered Good-Secured	–	–
	Trade Receivables Considered Good-Unsecured	1,045.47	1,582.26
	Trade Receivables Credit Impaired	33.48	33.48
		<u>1,078.95</u>	<u>1,615.73</u>
	Less: Allowance for Impairment (Refer note 55(a)(i))	<u>(33.48)</u>	<u>(33.48)</u>
		<u>1,045.47</u>	<u>1,582.26</u>
<b>10.1</b>	Refer note 19.1(A), 19.2 and 23.2 for information on trade receivables pledged as securities by the Company		
<b>10.2</b>	There are no amounts receivable from directors and officers of the Company.		
<b>10.3</b>	Trade receivables Ageing Schedule-Based on the requirements of Amended Schedule III.		

Particulars		Outstanding from the due date of payment as on 31 <sup>st</sup> March, 2024						Total
		Not Due	Upto 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables – Considered Good	894.85	150.16	0.46	–	–	–	1,045.47
(ii)	Undisputed Trade Receivables which have significant increase in Credit risk	–	–	–	–	–	–	–
(iii)	Undisputed Trade Receivables-Credit impaired	–	–	–	–	–	33.48	33.48
(iv)	Disputed Trade Receivables – Considered Good	–	–	–	–	–	–	–
(v)	Disputed Trade Receivables which have significant increase in Credit risk	–	–	–	–	–	–	–
(vi)	Disputed Trade Receivables-Credit impaired	–	–	–	–	–	–	–

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

Particulars		Outstanding from the due date of payment as on 31 <sup>st</sup> March, 2023						
		Not Due	Upto 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables – Considered Good	769.56	811.31	0.08	1.31	–	–	1,582.26
(ii)	Undisputed Trade Receivables which have significant increase in Credit risk	–	–	–	–	–	–	–
(iii)	Undisputed Trade Receivables-Credit impaired	–	–	–	–	–	33.48	33.48
(iv)	Disputed Trade Receivables – Considered Good	–	–	–	–	–	–	–
(v)	Disputed Trade Receivables which have significant increase in Credit risk	–	–	–	–	–	–	–
(vi)	Disputed Trade Receivables-Credit impaired	–	–	–	–	–	–	–

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>11. CASH AND CASH EQUIVALENTS</b>		
Cash in hand (As certified by Management)	1.68	1.23
<b>Balance with Banks:</b>	–	186.22
-in Current Accounts	<u>1.68</u>	<u>187.46</u>
<b>12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT</b>		
<b>Earmarked Balances with Banks</b>		
Fixed Deposits with Banks held as Margin Money*	60.03	56.64
	<u>60.03</u>	<u>56.64</u>
*Against Bank Guarantee & Letter of Credit		
<b>13. LOANS</b>		
<b>Unsecured, Considered Doubtful</b>		
Loans to Body Corporate (including accrued interest)	150.00	150.00
Less: Provision for Doubtful Advances (Refer Note:55(a)(ii))	<u>(150.00)</u>	<u>(150.00)</u>
	–	–

Type of Borrower	Amount of loans or advances in the nature of loan outstanding		Percentage of the total loans and advances in the nature of loans	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Promoter	–	–	–	–
Directors	–	–	–	–
KMPs	–	–	–	–
Related Parties	–	–	–	–
Others	150.00	150.00	100.00%	100.00%
<b>Total</b>	<b>150.00</b>	150.00	<b>100.00%</b>	100.00%

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

	(Amount Rs. in Lacs)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>14. OTHER CURRENT FINANCIAL ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Interest on loan to Body Corporates	8.28	8.28
Less: Provision for Doubtful Advances (Refer note 55(a)(ii))	<b>(8.28)</b>	(8.28)
	-	-
Government Subsidy Receivable	<b>188.77</b>	188.77
Accrued interest on Deposits with Banks	<b>0.08</b>	0.06
Advance to Employees	<b>28.98</b>	58.64
Other Receivable (Refer Note: 14.2 & 14.3)	<b>54.95</b>	54.95
	<b>272.77</b>	302.41
Insurance Claim Receivable (Refer Note 14.1)	<b>410.80</b>	410.80
Less: Provision for Doubtful Receivable (Net of reversal)	<b>(21.46)</b>	(21.46)
	<b>389.34</b>	389.34
Interest on Insurance Receivable (Refer Note 14.1)	<b>294.86</b>	294.86
	<b>684.20</b>	684.20
	<b>956.97</b>	986.62

14.1 The company has received an amount of Rs. 1,117.81 Lacs against an insurance claim of Rs.1,529.05 Lacs in respect of fire at finished goods godowns in September, 2014 and made provision of Rs. 410.80 Lacs for the remaining amount on grounds of prudence. Subsequently, on not being successful in the application for appointment of an Arbitrator before Hon'ble High Court at Calcutta, the Company filed a review petition with the Hon'ble High Court at Calcutta, which, vide its order dated 6<sup>th</sup> July, 2018, appointed an Arbitrator in the matter as per Section 11(6) of the Arbitration & Conciliation Act, 1996. The learned Arbitrator passed an award on 2<sup>nd</sup> March, 2020 in favour of the company by which an amount of Rs 367.39 Lacs towards balance amount of insurance claim, Rs.21.96 Lacs towards costs of the proceeding along with interest thereon and also interest on Rs 1,117.81 Lacs for the delay in settlement of claim at 2 per cent above the bank rate/current rate of interest was allowed. The total amount receivable upto 31<sup>st</sup> March, 2020 in respect of the above award Rs.684.20 Lacs accounted in earlier years is lying as Claim Receivable. The management is hopeful of receiving the claim and adjustment, if any, required will be made on actual receipt of the amount in this respect.

14.2 The company has accounted in earlier years under "Other Income", a claim of Rs.51.48 Lacs based on an order dated 29<sup>th</sup> August, 2018 issued by the Hon'ble High Court at Calcutta directing government agencies to disburse the additional cost incurred by the jute mills due to amendment in Payment of Bonus Act, 1965 pertaining to the period January to August, 2016. The company is hopeful of receiving further claim of Rs.45.57 Lacs (approx..) in this respect for the period from April to December, 2015 which shall be accounted for after receipt of favourable order from Hon'ble High Court at Calcutta.

14.3 Others receivable includes interest claimed on withheld amount of jute goods supplied to government agencies accounted for under "Other Income" during the previous year based on favourable order from the Hon'ble High Court at Calcutta.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>15. CURRENT TAX ASSETS (NET)</b>		
Advance Tax (Net of Provisions Rs.31.05 Lacs)	98.23	81.06
	<u>98.23</u>	<u>81.06</u>
<b>16. OTHER CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Advance against supply of Goods & Services	97.20	73.06
Balances with Government Authorities	151.92	199.93
Export Incentive Receivable	1.43	1.87
Prepaid Expenses	14.70	9.14
Others	-	0.24
	<u>265.24</u>	<u>284.23</u>

	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number	Amount	Number	Amount
<b>17. EQUITY SHARE CAPITAL</b>				
<b>Authorised:</b>				
Equity Share of Rs.10/- each	1,00,10,000	1,001.00	30,10,000	301.00
6% Redeemable Cumulative Pref. Shares of Rs.100/- each	8,00,000	800.00	15,00,000	1,500.00
		<u>1,801.00</u>		<u>1,801.00</u>
i) During the year, Authorised Share Capital for equity shares have been increased by Rs.700 Lacs (70,00,000 shares of Rs. 10/- each).				
ii) During the year, Authorised Share Capital for 6% Redeemable Cumulative Preference Shares have been reduced by Rs.700 Lacs (7,00,000 shares of Rs. 100/- each).				
<b>Issued &amp; Subscribed Capital:</b>				
Equity Share of Rs.10/- each	25,89,490	258.95	25,89,490	258.95
6% Redeemable Cumulative Pref. Shares of Rs.100/- each	5,00,000	500.00	5,00,000	500.00
		<u>758.95</u>		<u>758.95</u>
<b>Paid-up Capital:</b>				
Equity Share of Rs.10/- each	25,89,490	258.95	25,89,490	258.95
6% Redeemable Cumulative Pref. Shares of Rs.100/- each	5,00,000	500.00	5,00,000	500.00
		<u>758.95</u>		<u>758.95</u>
Less: Instrument classified as Financial Liability (Refer Note 19.2)		<u>(500.00)</u>		<u>(500.00)</u>
		<u>258.95</u>		<u>258.95</u>

### 17.1 Rights, Preferences & Restrictions attached to Shares

- (i) The equity shares having par value of Rs.10 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- (ii) The company has 6% Redeemable Cumulative Preference Shares of Rs.100/- each. The Preference shareholders shall be entitled to all rights and privileges as are available under the Companies Act, 2013.

17.2 There have been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period.

17.3 The Company does not have any holding company/ultimate holding company.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 17.4 Details of Shareholders holding more than 5% Shares in the Company

Equity Shares of Rs.10 each fully paid	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of Shares	% Holding	Number of Shares	% Holding
Shri Surendra Kumar Agarwal	3,50,691	13.54	4,75,917	18.38
Shri Sunil Jain	2,40,543	9.29	3,65,769	14.12
Shri Mayank Goyal	3,00,000	11.59	3,00,000	11.59
Shri Akhil Jain	2,70,386	10.44	2,70,386	10.44
Smt. Anita Jain	1,60,000	6.18	1,60,000	6.18
Smt. Somya Goyal	2,25,624	8.71	2,25,624	8.71
Smt. Shilpa Jain	3,00,000	11.59	3,00,000	11.59
<b>6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid</b>				
Anupam Advisory Private Limited	5,00,000	100.00	5,00,000	100.00

### 17.5 Details of Promoter Shareholding in the Company

Sl. No.	Promoters Name	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1.	Shri Surendra Kumar Agarwal	3,50,691	13.54	-26.31%	4,75,917	18.38	100%
2.	Shri Sunil Jain	2,40,543	9.29	-34.24%	3,65,769	14.13	100%
3.	Shri Mayank Goyal	3,00,000	11.59	Nil	3,00,000	11.59	100%
4.	Shri Akhil Jain	2,70,386	10.44	Nil	2,70,386	10.44	100%
5.	Smt. Seema Agarwal	94,614	3.65	Nil	94,614	3.65	100%
6.	Smt. Anita Jain	1,60,000	6.18	Nil	1,60,000	6.18	100%
7.	Smt. Somya Goyal	2,25,624	8.71	Nil	2,25,624	8.71	100%
8.	Smt. Shilpa Jain	3,00,000	11.59	Nil	3,00,000	11.59	100%

17.6 No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.

17.7 The company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which Balance Sheet is prepared.

17.8 No securities which are convertible into Equity/Preference shares have been issued by the Company during the year.

17.9 No calls are unpaid by any directors or officers of the company during the year.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>18. OTHER EQUITY</b>		
<b>Capital Redemption Reserve</b>		
As per last Financial Statement	35.00	35.00
	<b>35.00</b>	35.00
<b>General Reserve</b>		
As per last Financial Statement	32.19	32.19
Add: Transfer from Statement of Profit & Loss	-	-
	<b>32.19</b>	32.19
<b>Retained Earnings</b>		
As per last Financial Statement	(4,172.89)	(3,286.03)
Add: Profit/(Loss) for the year	2,808.62	(1,021.91)
Add: Re-measurement of Defined Benefit Obligation	(68.40)	135.05
	<b>(1,432.67)</b>	(4,172.89)
	<b>(1,365.48)</b>	(4,105.70)

The Description, Nature and Purpose of each reserve within equity are as follows:

- 18.1 **Capital Redemption Reserve:** It represents reserve created as a result of redemption of cumulative preference share capital of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013
- 18.2 **General Reserve:** This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income.
- 18.3 **Retained Earnings:** This reserve represents the cumulative profits of the Company and effects of re-measurements of defined benefit obligation. This reserve can be utilised in accordance with the provisions of Companies Act, 2013

19. BORROWINGS	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Non-Current	Current Maturities	Non-Current	Current Maturities
<b>Secured:</b>				
Term Loan from Banks	3,475.36	535.67	2,005.83	214.50
Vehicle Loan from Bank	-	-	-	1.12
	<b>3,475.36</b>	<b>535.67</b>	2,005.83	215.62
<b>Unsecured:</b>				
6% Cumulative Redeemable Preference Shares	189.75	-	173.37	-
	<b>189.75</b>	-	173.37	-
Less: Amount disclosed under the head "Other Current Liability (Note 23)	-	(535.67)	-	(215.62)
	<b>3,665.11</b>	-	2,179.20	-

19.1 **Term Loan from Punjab National Bank**

- A)** Term Loan from PNB (including Rs. 1,800 Lacs being conversion of existing cash credit limit pursuant to restructuring of advance) is secured by exclusive charge on entire current assets (present and future), including stock of raw material, stock-in-process, finished goods lying at Company's premises or godowns situated all over India and book debts. The loan is also secured by hypothecation of PPE and mortgage over certain immovable properties along with personal guarantee of Shri Surendra Kumar Agarwal, Chairman, Shri Sunil Jain, Managing Director, Shri Mayank Goyal, Director and Shri Akhil Jain, Director of the Company.

**IND AS 10- Events Occurring after Reporting Period-**

Disclosure – The Bank by its letter No. MCKOLWEST/RJMIL/2024-25 dated 6<sup>th</sup> May, 2024 has released the personal guarantee of Shri Pawan Kumar Kanoria, ex-Director of the Company, Smt. Usha Kanoria, wife of Shri Pawan Kumar Kanoria and corporate guarantee of Bhagwati Apartment Private Limited.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- B)** Term Loan from PNB under GECL & CECF is secured by extension of charge on entire current assets (present and future). Extension of charge over the existing Primary & Collateral securities excluding Personal/ Corporate Guarantees have been made. Details of repayment terms is given below:

**(Amount Rs. in Lacs)**

Nature of Loan	Rate of Interest	Outstanding as on 31 <sup>st</sup> March, 2024	Equated Monthly Instalment	Pending no. of instalments	Starting Date	Ending Date
Working Capital Term Loan	9.00%	1,710.00	15.00	115	October, 2023	October, 2031
Working Capital Term Loan (GECL)	7.65%	140.00	7.78	18	October, 2022	September, 2026
Working Capital Term Loan (GECL)	7.65%	161.03	5.19	31	November, 2023	November, 2026

**19.2 Term Loan from ICICI Bank:**

- A)** Term loan availed from ICICI Bank Ltd. of Rs.20 Crores are secured by hypothecation of current assets and movable fixed assets by way of obtaining first pari-passu charge thereon from Punjab National Bank and also secured by personnel guarantee of Shri Surendra Kumar Agarwal and Shri Sunil Jain, Directors of the Company and corporate guarantee of Spintex Jute India Private Limited and Letter of Comfort of Sree Durga Fibre Products Pvt. Ltd.

Exclusive Charge on immovable fixed assets of Spintex Jute India Private Limited located at Panpur, Madral, Kalyani Express Road, Narayanpur, Opposite Khadims india Pvt. Ltd., North 24 Pargans, West Bengal, Pin Code-743125. Details of repayment terms is given below:

**(Amount Rs. in Lacs)**

Nature of Loan	Rate of Interest	Outstanding as on 31 <sup>st</sup> March, 2024	Equated Monthly Instalment	Pending no. of instalments	Starting Date	Ending Date
Working Capital Term Loan	9.25%	2000.00	50.00	40	March,,2024	March, 2034

- 19.3 Preference Shares:** The company has issued 5,00,000, 6% Redeemable Cumulative Preference Shares of Rs.100/- each on 6<sup>th</sup> November, 2015 & 12<sup>th</sup> February, 2016 respectively redeemable at par within 20 years from the date of allotment. However, the company may at its discretion of Board of Directors at any time redeem the shares at par out of the distributable profits of the Company. Payment of redemption would be made by cheque within a period of 30 days from the date of receipt of the duly discharged share certificate.
- 19.4** There is no default as on the balance sheet date in the repayment of Borrowings and interest thereon.
- 19.5** The Company has registered all the applicable charges with registrar of Companies within the statutory period, except for the first pari-passu charge on Current Assets and Movable Fixed Assets of the Company on multiple credit facilities obtained from ICICI Bank.

**(Amount Rs. in Lacs)**

	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
<b>20. OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		
Rupee Loan from Bodies Corporate	<b>3,896.43</b>	3,896.88
	<b>3,896.43</b>	3,896.88
<b>21. PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Gratuity (Refer Note No.40.2)	<b>3,772.89</b>	3,861.63
Leave Encashment	<b>80.50</b>	55.43
	<b>3,853.39</b>	3,917.06

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>22. OTHER NON-CURRENT LIABILITIES</b>		
Deferred Revenue Grant	<u>28.50</u>	<u>43.98</u>
	<b>28.50</b>	<b>43.98</b>

### 22.1 Movement of Deferred Revenue

Particulars	2023-24	2022-23
Opening Balance (including Current Deferred Revenue Grant)	59.27	76.03
Add: Grant Received/Receivable during the year	–	–
Less: Released to Statement of Profit & Loss	15.48	16.75
Less: Current portion of the Deferred Revenue Income	15.29	15.29
<b>Closing Balance</b>	<b>28.50</b>	<b>43.98</b>

## 23. BORROWINGS

### Secured

Current Maturity of long-term debt (Refer Note 19)	535.67	215.62
Working Capital Facilities from Banks:		
Cash Credit	<u>954.21</u>	–
	<b>1,489.88</b>	<b>215.62</b>

23.1 Based on the RBI guidelines in respect of policy on one-time restructuring of MSME advances, the entire credit facilities of the Company have been restructured on 29<sup>th</sup> September, 2021 by the sole banker without any down-gradation in asset classification. Accordingly, the Company's cash credit facility has been converted into term loan with a moratorium of 24 months and there has been significant reduction in interest rates which would be beneficial to the company.

23.2 Working Capital borrowings in the form of Cash Credit availed from ICIC Bank Ltd. are secured by hypothecation of current assets and movable fixed assets by way of obtaining first pari-passu charge thereon from Punjab National Bank and also secured by personal guarantee of Shri Surendra Kumar Agarwal and Shri Sunil Jain, Directors of the Company and corporate guarantee of Spintex Jute India Private Limited and Letter of Comfort of Sree Durga Fibre Products Pvt. Ltd.

23.3 There is no default as on the balance sheet date in the repayment of borrowings and interest accrued from banks.

	(Amount Rs. in Lacs) As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>24. TRADE PAYABLES</b>		
<b>For Goods and Services</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note No. 44)	–	–
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	<u>6,670.45</u>	<u>8,534.93</u>
	<b>6,670.45</b>	<b>8,534.93</b>

### Additional disclosures as per Schedule-III requirement:

Particulars		Outstanding as on 31 <sup>st</sup> March, 2024 from due date of payment						Total
		Unbilled Due	Not Due	Up to 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	–	–	–	–	–	–	–
(ii)	Others	540.84	4,494.79	1,634.81	–	–	–	6,670.44
(iii)	Disputed dues-MSME	–	–	–	–	–	–	–
(iv)	Disputed dues-Others	–	–	–	–	–	–	–
Particulars		Outstanding as on 31 <sup>st</sup> March, 2023 from due date of payment						Total
		Unbilled Due	Not Due	Up to 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	–	–	–	–	–	–	–
(ii)	Others	154.50	4,070.37	4,309.86	0.20	–	–	8,534.93
(iii)	Disputed dues-MSME	–	–	–	–	–	–	–
(iv)	Disputed dues-Others	–	–	–	–	–	–	–

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024**

		(Amount Rs. in Lacs)	
		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>25. OTHER CURRENT FINANCIAL LIABILITIES</b>			
Interest accrued but not due on borrowings		6.63	0.50
Dividend accrued on Cumulative Preference Shares (Refer Note 46)		–	–
		<u>6.63</u>	<u>0.50</u>
<b>26. CONTRACT LIABILITIES</b>			
Advance from Customers		6.87	50.59
		<u>6.87</u>	<u>50.59</u>
<b>27. OTHER CURRENT LIABILITIES</b>			
Deposit against Sales Tax Form		–	–
Payable to Employees		203.92	284.41
Credit Balance of Current Account with Bank		563.95	–
Statutory Dues Payable		187.99	280.41
Deferred Revenue (Refer Note 22.1)		15.29	15.29
Other Payables		200.40	53.57
		<u>1,171.55</u>	<u>633.67</u>
27.1	Payable to Employees include Rs. 3.04 Lacs (As at 31st March, 2023: Rs Nil) to Related Parties/Key Managerial Personnel.		
<b>28. PROVISIONS</b>			
<b>Employees Benefits</b>			
Gratuity (Refer Note 40)		259.39	444.65
Leave Encashment		7.19	7.25
Bonus		203.52	195.06
		<u>470.10</u>	<u>646.96</u>
<b>29. REVENUE FROM OPERATIONS</b>			
<b>Sales of Products (Refer Note 51)</b>			
Domestic		32,984.92	30,359.48
Export		86.97	–
		<u>33,071.89</u>	<u>30,359.48</u>
<b>Other Operating Revenue</b>			
Scrap Sales		200.34	2.73
Job Work Charges - Income		9.29	14.53
Sale of Raw Jute		171.69	43.53
Sewing & Branding		22.44	19.92
Deferred Revenue Grant Income (Refer Note 22)		15.48	16.75
Export Incentives (MEIS, Duty Drawback & Focus Market Scheme)		0.92	–
		<u>420.17</u>	<u>97.48</u>
		<u>33,492.05</u>	<u>30,456.96</u>
<b>30. OTHER INCOME</b>			
<b>Interest Income</b>			
On Banks Deposits		4.70	3.67
		<u>4.70</u>	<u>3.67</u>
<b>Other Non-Operating Income</b>			
Gain on sale/discard of Property, Plant & Equipment (Net)		69.96	–
Liability no longer required written back		8.26	7.70
Sundry Receipts		3.14	2.07
		<u>81.36</u>	<u>9.77</u>
		<u>86.06</u>	<u>13.44</u>
<b>31. COST OF MATERIALS CONSUMED</b>			
Raw Materials (Raw Jute)		16,520.50	17,217.78
Raw Materials (Jute Yarn etc.)		3,875.28	4,214.37
		<u>20,395.78</u>	<u>21,432.16</u>
<b>32. COST OF RAW JUTE SOLD</b>			
Cost of Raw Jute Sold		171.69	43.53
		<u>171.69</u>	<u>43.53</u>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

	<u>As at 31<sup>st</sup> March, 2024</u>	<u>As at 31<sup>st</sup> March, 2023</u>
<b>33. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	1,138.01	133.61
Finished Goods-in-Transit	32.56	–
Work-in-Progress	1,284.22	630.53
	<u>2,454.79</u>	<u>764.13</u>
<b>Inventories at the end of the year</b>		
Finished Goods	1,298.76	1,138.01
Finished Goods-in-Transit	–	32.56
Work-in-Progress	1,228.98	1,284.22
	<u>2,527.73</u>	<u>2,454.79</u>
(Increase)/Decrease in Inventories of Finished Goods & WIP	<u>(72.94)</u>	<u>(1,690.66)</u>
<b>34. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries & Wages	6,362.78	6,150.56
Contribution to Provident & Other Funds	753.79	1,098.63
Staff Welfare Expenses	30.67	23.47
	<u>7,147.24</u>	<u>7,272.66</u>
<b>35. FINANCE COSTS</b>		
<b>Interest Expenses</b>		
On Term Loan	258.14	256.58
On Cash Credit	5.62	–
On Unsecured Loan	414.47	312.55
On Buyer's Credit	–	0.36
On Preference Shares	16.38	14.97
On ESI, GST & P. Tax	0.16	1.20
On Raw Materials	216.88	56.12
On Car Loan	0.01	0.10
	<u>911.65</u>	<u>641.89</u>
<b>Other Borrowing Cost</b>		
Other Financial Charges	–	0.10
	<u>–</u>	<u>0.10</u>
	<u>911.65</u>	<u>641.99</u>
<b>36. DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Property, Plant and Equipment	489.54	196.22
Amortization Expenses on Intangible Assets	7.08	0.02
	<u>496.62</u>	<u>196.24</u>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

		(Amount Rs. in Lacs)	
		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>37.</b>	<b>OTHER EXPENSES</b>		
	<b>Manufacturing</b>		
	Stores & Spares Consumed	1,017.25	758.69
	Job Work for Yarn-Expenses	–	42.58
	Power & Fuel	1,271.53	1,133.63
	Repairs to Machinery	530.09	589.36
	Repairs to Buildings	37.51	53.01
	Insurance	34.09	15.69
	(A)	<u>2,890.45</u>	<u>2,592.97</u>
	<b>Selling and Administration</b>		
	Rent	1.61	5.75
	Motor Car Expenses	16.66	18.81
	Travelling Expenses	0.92	0.41
	Rates & Taxes	16.80	24.63
	Repairs to Others	52.81	47.45
	Professional Service Charges	45.01	33.44
	Export Expenses (including Freight Rs. Nil (Previous year Rs. Nil))	3.05	3.97
	Auditor's Remuneration:		
	As Statutory Audit Fees	4.00	4.50
	For Taxation Matters	1.00	–
	In Other Capacity	1.01	2.07
	Forwarding & Delivery Charges	151.73	124.35
	Brokerage & Commission on Sales	28.39	21.30
	Sundry Balances written off (Net)	–	0.33
	Net Gain / (Loss) on Foreign Currency Transaction / Translation	0.03	0.27
	Loss on sale/discard of Property, Plant & Equipment (Net)	–	3.88
	Directors Sitting Fees	1.53	0.82
	Charity & Donation	0.30	–
	Miscellaneous Expenses	1,140.04	771.28
	(B)	<u>1,464.90</u>	<u>1,063.25</u>
	<b>Total = (A) + (B)</b>	<u><b>4,355.36</b></u>	<u><b>3,656.22</b></u>
<b>38.</b>	<b>TAX EXPENSES</b>		
	Income Tax recognized in Statement of Profit and Loss:		
	Current Tax	–	–
	Deferred Tax	(2,689.80)	–
	Income Tax for earlier years	–	2.05
		<u>(2,689.80)</u>	<u>2.05</u>
<b>39.</b>	<b>CONTINGENT LIABILITIES &amp; COMMITMENTS</b>		
39.1	<b>Contingent Liabilities not provided for in respect of:</b>		
a)	Sales Tax & VAT payable due to non-collection of certain declaration forms and the demand pending under appeal pertaining to financial years 2004-05 to 2017-18. Against the above, an amount of Rs. 34.82 Lacs (31st March, 2023-Rs.Nil) has been paid to relevant authorities under settlement of disputes scheme.	–	243.24
b)	GST Liabilities may arise in the future on account of excess claim of ITC pertaining to financial year 2020-21 Against the above, a sum of Rs.79.22 Lacs (31st March, 2023 - Rs. 79.22 Lacs) has been excessively claimed as ITC which may have to be paid by the company along with appropriate interest which will have a significant financial impact on the company.	79.22	79.22



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

**Note :** The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements / decisions pending with various forums/authorities. The Company does not expect any reimbursements against above.

- c) The Code on Social Security, 2020 (Code) related to various employee benefits received Presidential assent in September, 2020 and has been published in the Gazette of India. While certain provisions of Code (pertaining to identification of employees and their beneficiaries for provision of statutory benefits through Aadhar Card) have already been notified and made effective by the Central Government, the date for implementation of the substantive provisions of the Code is awaited. The Company will assess the impact of the Code when it fully comes into effect and will record any impact of the provisions applicable to the company in the period the Code becomes effective.

### 39.2 Capital & Other Commitments:

- a) There is Rs.671.76 Lacs amount of contracts remaining to be executed on capital account net of advance/deposit. Out of Rs.671.76 Lacs, Rs. 562.80 Lacs relates to indigenous capital commitment and Rs.108.96 Lacs pertains to import capital commitment.

## 40. EMPLOYEE BENEFITS

In accordance with Ind-AS 19 on Employee Benefits, the requisite disclosure are as follows:

- 40.1 **Defined Contribution Plans:** The company makes contribution towards Provident Fund, ESIC, Superannuation Fund to a defined contribution retirement benefit plan for qualifying employees. The Provident Fund Plan is operated partly by Regional Provident Fund Commissioner and partly by an Independent Trust, ESIC by government agencies and Superannuation Fund by a Trust created for the purpose. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits. The amount recognized as expense for the Defined Contribution Plans are as under: -

Particulars	(Amount Rs. in Lacs)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Employer's Contribution to Provident Fund	88.29	87.73
Employer's Contribution to Superannuation Fund	–	–
Employer's Contribution to Pension Scheme	346.93	326.44
Employer's Contribution to Employees State Insurance Scheme	173.81	173.42

### 40.2 Defined Benefit Plans

Post-Employment Benefit in the form of gratuity is considered as defined benefit obligation. Every employee who has completed continuous five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit to employee benefit entitlement and measures each unit separately to build up the final obligation.

**Risk Exposure:** Defined benefit plans expose the Company to actuarial risks such as interest rate risk, salary risk & demographic risk

- a) **Interest Rate Risk:** The defined benefit obligation calculation uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- b) **Salary Risk:** Higher than expected increases in salary will increase the defined benefit obligation.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- c) **Demographic Risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

(Amount Rs. in Lacs)

I.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Present Value of funded obligations	4,147.15	4,044.00
	Fair Value of plan assets	114.86	108.80
	<b>Liabilities in respect of funded obligations on actuarial valuation</b>	<b>4,032.29</b>	3,935.20
II.	Changes in the present value of defined funded obligation representing reconciliation of opening and closing balances thereof as follows:		
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
	Present Value of defined benefit obligation at the beginning of the year	4,044.00	4,125.63
	Employer Service Cost	228.17	220.97
	Interest Cost	265.91	281.74
	Plan Amendments: Vested portion at the end of period (past service)	-	-
	Actuarial Gain (-) / Loss (+)	66.88	(138.20)
	Benefits paid	(457.81)	(446.14)
	<b>Present Value of defined benefit obligation at the end of the year</b>	<b>4,147.15</b>	4,044.00
III.	Changes in the fair value of plan assets representing Reconciliation of opening and closing balances thereof are as follows:		
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
	Fair Value of Plan Assets at the beginning of the year	108.80	189.34
	Acquisition adjustments	-	-
	Expected return on Plan Assets	7.58	13.64
	Actual Company Contribution	457.81	355.12
	Benefit Payments	(457.81)	(446.14)
	Appreciation/Depreciation of Plan Assets	-	-
	Actuarial Gain (+)/Loss (-)	(1.52)	(3.15)
	<b>Fair Value of Plan Assets at the end of the year</b>	<b>114.86</b>	108.80
IV.	The amounts recognized in the statement of Profit and Loss thereof are as follows:		
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
	Current Service Cost - Gratuity (Funded)	228.17	220.97
	Past Service cost (vested)	-	-
	Net Interest Cost / (Income) on the Net Defined Benefit Liability/(Asset)	258.33	268.11
	<b>Expenses recognised in the Statement of Profit and Loss</b>	<b>486.50</b>	489.08

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

V. Re-measurement recognised in Other Comprehensive Income					
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023		
Actuarial (gains) / losses					
- change in demographic assumptions		(11.70)	-		
- change in financial assumptions		102.40	72.73		
- experience variance (i.e. Actual experience vs assumptions)		(23.82)	(210.93)		
- others		-	-		
Return on plan assets, excluding amount recognized in net interest expenses		(1.52)	3.15		
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		-	-		
<b>Components of defined benefit cost recognised in other comprehensive income</b>		<b>68.40</b>	(135.05)		
VI. The major categories of plan assets as a percentage of total plan assets are as follows:					
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023		
Qualifying insurance policy		100%	100%		
VII. The principal actuarial assumptions at the Balance Sheet date are as follows:					
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023		
1. Mortality		IALM 2012-2015 Ultimate	IALM 2012-2014 Ultimate		
2. Discount Rate		6.97%	7.20% - 7.22%		
3. Salary Increase		4.00% to 5.00% On long term basis it has been assumed at 6.00%	4.00% On long term basis it has been assumed at 6.00%		
4. Normal Age of Retirement		58 Years	58 Years		
VIII. A quantitative sensitivity analysis for significant assumption as at 31 <sup>st</sup> March 2024 is as shown below:					
Increase/Decrease in present value of defined benefits obligation due to following factors:	Sensitivity Level	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023	
		Increase	Decrease	Increase	Decrease
Discount Rate	0.50%	3,945.68	4,364.02	3,854.46	4,248.25
Further salary increase	0.50%	4,368.58	3,939.92	4,252.77	3,848.90
Attrition rate	0.50%	4,148.98	4,145.31	4,046.02	4,041.98
Mortality rate	0.10%	4,149.26	4,145.03	4,047.41	4,040.59
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 end of the reporting period.					
IX. Expected Cash Flows over the next (valued on undiscounted basis):					
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023		
Within the next 12 months		268.28	460.41		
Between 2 and 5 years		1,070.63	936.79		
Between 6 and 10 years		1,740.09	1,609.26		
Beyond 10 years		6,424.50	6,452.51		

X. As at 31<sup>st</sup> March, 2024, the weighted average duration of defined benefit obligation was 15 years.

XI. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 41. EARNINGS PER SHARE (EPS)

(Amount Rs. in Lacs)

Particulars	(Amount Rs. in Lacs)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Net Profit for the Year (Rs.)	2,808.62	(1,021.91)
Basic & Weighted average number of Equity Shares outstanding during the year	25,89,490	25,89,490
Nominal Value of Shares (Rs.)	10	10
Basic & Diluted EPS (Rs.)	108.46	(39.46)

### 42. SEGMENT REPORTING

The Company operates within a single business segment i.e. Jute and Jute Products and accordingly has considered the Business Segment to be the Primary Segment.

#### 42.1 Geographical Segment

The Company primarily operates in India and therefore the geographical segments considered for disclosures on the basis of sales are as under: -

Particulars	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023	
	India	Overseas	India	Overseas
Revenue from operations (Sale of Jute Goods)	32,984.92	86.97	30,359.48	-
Non-Current Assets Other than financial instruments*	9,960.11	-	8,619.37	-

\* Non-Current Assets other than financial instruments include Property, Plant & Equipment, Capital Work-in-Progress, Other Intangible Assets, Other Non-Current Assets and Other Non-Current Financial Assets.

#### 42.2 Extent on reliance on Major Customer:

Revenue from government agencies amounting to Rs. 29,917.70 Lacs (approx. 89% of revenue) [FY 2022-23 Rs. 26,991.55 Lacs (approx. 89% of revenue) arising on sale of Jute Sacking Bags within India].

### 43. RELATED PARTY TRANSACTIONS

Related Party disclosures as identified by the Management as per Ind-AS 24 are given below:

#### 43.1 Names of Related Parties

##### I Key Managerial Personnel (KMP)

- Shri Surendra Kumar Agarwal - Executive Chairman
- Shri Sunil Jain - Managing Director
- Shri Mayank Goyal - Director
- Shri Akhil Jain - Director
- Shri Sudhir Kumar- Independent Director
- Shri Puspendu Chattopadhyay- Whole-time Director
- Shri Mohan Lal Agarwal- Independent Director
- Smt. Frenny Megotia-Independent Director
- Shri Deo Kishan Kothari – Chief Financial Officer
- Shri Rahul Agarwal – Company Secretary

##### II Relatives of Key Managerial Personnel

- Smt. Seema Agarwal
- Smt. Anita Jain
- Smt. Somya Goyal
- Smt. Shilpa Jain

##### III Entities over which KMP and relatives of KMP exercise Control/ Significant Influence

- S D Polytech Private Limited
- Sree Durga Fibre Products Private Limited
- Jai Shree Ram Vyapaar Private Limited
- Linkpoint Dealtrade Private Limited
- Planet Tie-up Private Limited

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

6. Unity Nirman Private Limited
7. Valuetime Sales Private Limited
8. TVL Engineers Private Limited
9. Shyamrai Ecopack Private Limited
10. Jagjanani Sales Private Limited
11. Anupam Advisory Private Limited
12. Maryland Suppliers Private Limited
13. Syringa Mercantile Private Limited
14. Lupin Infotech Private Limited
15. Spintex Jute India Private Limited

### IV Post-Employment Benefit Plan Entities

Reliance Jute Mills Co. Ltd. Employees Provident Fund

43.2 Particulars of Transactions during the year ended 31<sup>st</sup> March, 2024:

Nature of Transactions	Period	Key Managerial Personnel	Relatives of Key Managerial Personnel	(Amount Rs. in Lacs)	
				Entities where control exists	Post-Employment Benefits Plan Entities
Remuneration* Paid	2023-24	35.57	-	-	-
	2022-23	138.05	-	-	-
Purchase of Raw Jute	2023-24	-	-	843.95	-
	2022-23	-	-	397.85	-
Rent Paid	2023-24	-	-	1.61	-
	2022-23	-	-	5.75	-
Sitting Fees Paid	2023-24	1.53	-	-	-
	2022-23	0.54	-	-	-
Interest Paid	2023-24	-	-	326.95	-
	2022-23	-	-	268.75	-
Contribution made to PF Trust (including Employees' Share)	2023-24	-	-	-	1,164.99
	2022-23	-	-	-	1,105.05
Loan Taken	2023-24	-	-	582.00	-
	2022-23	-	-	3,210.00	-
Loan Repaid	2023-24	-	-	1,173.22	-
	2022-23	37.50	16.35	120.33	-
Exceptional Item (Loan Written back)	2023-24	-	-	-	-
	2022-23	-	-	60.00	-
Purchase of Jute Yarn	2023-24	-	-	3,828.19	-
	2022-23	-	-	4,259.61	-
Purchase of Jute Sliver	2023-24	-	-	9.33	-
	2022-23	-	-	35.09	-
Purchase of Jute Wastage	2023-24	-	-	9.95	-
	2022-23	-	-	2.98	-
Purchase of Scrap	2023-24	-	-	-	-
	2022-23	-	-	3.92	-
Purchase of Old Machineries	2023-24	-	-	-	-
	2022-23	-	-	11.00	-
Sale of Old Machineries	2023-24	-	-	55.35	-
	2022-23	-	-	-	-
Job Charges Received	2023-24	-	-	9.29	-
	2022-23	-	-	14.53	-
Sale of Raw Jute	2023-24	-	-	171.69	-
	2022-23	-	-	43.53	-
Sale of Jute Goods	2023-24	-	-	170.12	-
	2022-23	-	-	158.12	-
Sale of Old Car	2023-24	-	-	-	-
	2022-23	-	-	40.00	-
<b>Balance Outstanding at the year end</b>					
Loan	31 <sup>st</sup> March, 2024	-	-	3,054.91	-
	31 <sup>st</sup> March, 2023	-	-	3,351.88	-
Creditors	31 <sup>st</sup> March, 2024	-	-	1,856.30	-
	31 <sup>st</sup> March, 2023	-	-	2,114.33	-
PF Contribution Payable	31 <sup>st</sup> March, 2024	-	-	-	-
	31 <sup>st</sup> March, 2023	-	-	-	94.46
Remuneration Payable	31 <sup>st</sup> March, 2024	3.04	-	-	-
	31 <sup>st</sup> March, 2023	-	-	-	-

\*The remuneration of key management personnel does not include post-employment benefits being provision made for gratuity and leave encashment as the same is determined on actuarial valuation basis for the Company as a whole.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

(Amount Rs. in Lacs)

Particulars/Period	2023-24	2022-23
<b>Short Term Employee Benefits</b>		
Shri Sanjay Hada	–	12.30
Shri Puspendu Chattopadhyay	–	5.38
Shri Deo Kishan Kothari	–	28.71
Smt. Anamika Sinha Roy	–	1.13
Smt. Sweety Jhunhunwala	–	0.53
<b>Short Term Employee Benefits Total</b>	–	<b>48.05</b>
<b>Termination Benefits</b>		
Shri Pawan Kumar Kanoria	–	40.00
Shri Sanjay Hada	–	50.00
<b>Termination Benefits Total</b>	–	<b>90.00</b>
<b>KMP-Payments Total</b>	–	<b>138.05</b>

All the transactions with Related Parties have been done at arm's length basis.

44. Based on the information available with the company from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no outstanding dues to suppliers / service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures as required under the said Act are as under: -

(Amount Rs. in Lacs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(i) Principal amount and interest due to Suppliers under MSMED Act and remaining unpaid.	–	–
(ii) Interest paid and any payment made to Suppliers beyond appointed date (under section 16 of the Act)	–	–
(iii) Interest due and payable to Suppliers under MSMED Act.	–	–
(iv) Interest accrued and remaining unpaid	–	–
(v) Interest remaining due and payable under section 23 of the Act	–	–

45. **INTEREST PAYMENT TO RAW JUTE CREDITORS**

The Company is regular in paying Jute Creditor's interest on delayed payment wherever applicable.

46. **DIVIDEND ON 6% CUMULATIVE REDEEMABLE PREFERENCE SHARES**

Based on the request made by the company and considering the acute financial stress as a result of recurring losses in the last few years, the Preference Shareholders have accorded their consent in writing by waiving the cumulative preference dividend payable to them upto 31st March, 2024. The said matter was taken on record by the Board of Directors of the Company at its meeting held on 16<sup>th</sup> May, 2024.

47. **SUSPENSION OF WORK**

During the financial year 2023-24, the management declared suspension of work at the Mill from 1<sup>st</sup> November, 2023 to 27<sup>th</sup> November, 2023 on account of Labour Union unrest in the Mill. The performance of the company was adversely affected during the third quarter of the financial year 2023-24 which overall had an impact on the performance of the company.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 48. SALE OF STAKE BY PROMOTER & PROMOTER GROUP SHARE

As per the Minimum Public Shareholding Clause as implemented by Securities Contracts Regulation Rules by SEBI, promoters holding more than 75% have to compulsorily sell their additional holdings to bring it down to maximum of 75%. Accordingly, as the total shareholding by promoters was 84.67% as on April, 2023, Equity Shares held by Shri Surendra Kumar Agarwal and Shri Sunil Jain was partly sold during the financial year 2023-24 to bring the total shareholding by promoters to 74.99% as on March, 2024. The details of the same are shown as below:

Sl. No.	Shareholder Name	Existing Shares		To Transfer		Balance after Transfer	
		No. of Shares	As %age	No. of Shares	As %age	No. of Shares	As %age
i.	Shri Surendra Kumar Agarwal	475917	18.38%	125226	4.84%	350691	13.54%
ii.	Shri Sunil Jain	365769	14.12%	125226	4.84%	240543	9.29%
	<b>Total</b>	<b>841686</b>	<b>32.50%</b>	<b>250452</b>	<b>9.68%</b>	<b>591234</b>	<b>22.83%</b>

### 49. GOING CONCERN

The company has incurred cash losses in the previous years i.e. upto the financial years ended 31<sup>st</sup> March, 2023. Further, the net worth of the company has completely eroded and its current liabilities exceed the current assets. However, in view of the infusion of sufficient fund by promoter group and the increased financial support, the company has earned profit for the year ended 31<sup>st</sup> March, 2024, hence, the financial statements of the company for the financial year ended 31<sup>st</sup> March, 2024 have been prepared on the going concern basis.

### 50. DEFERRED TAX ASSETS (NET)

The company has ascertained and recognised income tax expense/credit (Deferred Tax) for the first time while preparing the financial statements for the F.Y. 2023-24. Considering that the company is in revival process, it was difficult for the company to estimate profits/losses for the year and accordingly, the company had not accounted for such income tax expense/credit in the quarterly results. The company has recognized such income tax expense/credit for the first time while preparing the financial statements for the financial year 2023-24. As at the reporting date, the company has deferred tax assets (net) amounting to Rs. 2,689.80 Lacs primarily towards unabsorbed depreciation, business losses and items of expenses having timing differences incurred by the company during the current and earlier years. In order to determine the recoverability of such deferred tax assets, the management has projected its book profits and tax profits and based on such projections, the company is confident that sufficient taxable profits would be available in future against which such deferred tax assets can be adjusted. The company has assessed the status of deferred tax assets (net) as at the reporting date and its effects has been given in the statement of profit and loss, the details of which is given as below:

		(Amount Rs. In Lacs)	
		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>(A)</b>	<b>Deferred Tax Asset</b>		
	Section 43B items	1,075.53	1,186.65
	Business Losses & Unabsorbed Depreciation	1,835.29	1,776.32
	Provision on Expected Credit Loss (ECL)	55.44	55.44
	Others	15.86	11.83
	<b>Total (A)</b>	<b>2,982.11</b>	<b>3,030.24</b>
<b>(B)</b>	<b>Deferred Tax Liability</b>		
	Fair Value gain on Preference Share	80.66	84.92
	Depreciation	211.64	126.96
	<b>Total (B)</b>	<b>292.30</b>	<b>211.89</b>
	<b>Net Deferred Tax Asset (A - B)</b>	<b>2,689.80</b>	<b>2,818.35</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 51. DISCLOSURE AS PER IND AS 115

(A) **Nature of Goods and Services:** The Company is engaged in the manufacturing and sale of Jute goods and the same is only the reportable segment of the Company.

(B) **Disaggregation of Revenue:** In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

		(Amount Rs. in Lacs)	
(i)	Primary Geographical Markets	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
	Within India	32,984.92	30,359.48
	Outside India	86.97	–
	<b>Total</b>	<b>33,071.89</b>	30,359.48
(ii)	Major Products		
	Jute goods	33,071.89	30,359.48
	<b>Total</b>	<b>33,071.89</b>	30,359.48
(iii)	Timing of Revenue		
	At a point in time	33,071.89	30,359.48
	Overtime	–	–
	<b>Total</b>	<b>33,071.89</b>	30,359.48
(iv)	Contract Duration		
	Long Term	–	–
	Short Term	33,071.89	30,359.48
	<b>Total</b>	<b>–</b>	30,359.48
(v)	Sales Channel		
	Direct to Customers	33,071.89	30,359.48
	Through Intermediaries	–	–
	<b>Total</b>	<b>33,071.89</b>	30,359.48

(C) **Contract balances:** The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Receivables which are included in "Trade Receivables"	1,045.47	1,582.26
Contract Assets	–	–
Contract Liabilities (Advance from Customer)	6.87	50.59
<b>Total (Assets-Liabilities)</b>	<b>1,038.60</b>	1,531.67

### (D) Other Information

		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(i)	Transaction price allocated to the remaining performance obligations	–	–
(ii)	The amount of revenue recognised in the current year that was included in the opening contract liability balance	50.59	1.16
(iii)	The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	–	–
(iv)	Performance Obligations- The Company Satisfy The Performance Obligation on Shipment/Delivery.	–	–
(v)	Significant Payment Terms:		
	Financing Component	–	–
	Volume Discount	–	–

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 52. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Variance	Reasons for variance
Current Ratio	<b>0.76</b>	0.76	0.69%	–
Debt Equity Ratio	<b>(8.19)</b>	(1.64)	400.45%	Due to significant increase in borrowings and shareholder's fund
Debt Service Coverage Ratio	<b>1.70</b>	(0.23)	(827.91%)	Due to cash profits earned by the company and significant increase in borrowings.
Return on Equity	<b>116%</b>	(32%)	(462.95%)	Due to cash profits earned by the company and on account of recognition of deferred tax assets for the first time.
Inventory Turnover	<b>7.03</b>	11.34	(37.97%)	Since the full-fledged production has started and pending orders in the hands of the company, the closing inventory has significantly increased.
Debtors Turnover	<b>25.49</b>	35.69	(28.58%)	Significant increase in sales as compared to previous financial year and prompt collection from debtors.
Trade Payable Turnover Ratio	<b>2.77</b>	3.61	(23.14%)	–
Net Capital Turnover Ratio	<b>(14.52)</b>	(12.54)	15.73%	–
Net Profit Margin (%)	<b>8.55%</b>	(3.56%)	(340.19%)	Due to cash profits earned by the company and on account of recognition of deferred tax assets for the first time.
Return on Average Capital Employed	<b>13.55%</b>	(11.62%)	(216.64%)	Due to cash profits earned by the company and on account of recognition of deferred tax assets for the time.
Return on Investments	<b>5.03%</b>	(2.70%)	(286.27%)	Due to cash profits earned by the company and on account of increase in total assets of the company.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### Ratios have been computed as follows:

1. Current Ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt Equity Ratio = Debt / Equity  
 Debt = Borrowings (excluding lease liabilities accounted as per Ind AS 116) – Cash and Bank Balance (includes fixed deposits) – liquid investments.  
 Equity = Equity Share Capital + Other Equity (excluding Ind AS 116)
3. Debt Service Coverage Ratio = Earnings before Interest\* and Tax / [Finance Cost\* + Principal Repayment of Non-Current Borrowings (netted off to the extent of Non-Current Borrowings availed during the same period for the repayments)]
4. Return on Equity Ratio = Profit after Tax / Average of Opening and Closing Shareholders equity
5. Inventory Turnover = Revenue from Operations for the period / Average of Opening and Closing Inventories
6. Debtors' Turnover = Revenue from Operations for the period / Average of Opening and Closing Trade Receivables.
7. Net Profit Margin = Profit after Tax (excluding exceptional items) / Revenue from Operations
8. Return on Average Capital Employed = Earnings Before Interest and Tax / Average Capital Employed (Current Assets-Current Liabilities)
9. Trade Payables Turnover Ratio = COGS / Average Trade Payables
10. Net Capital Turnover Ratio = Revenue / Average Working Capital
11. Return on investments = Earnings Before Interest And Taxes / Total Assets.

### 53. CAPITAL MANAGEMENT

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. The Company is not subject to any externally imposed capital requirements. The Company monitors capital using current and debt equity ratio.

(Amount Rs.in Lacs)

Quantitative data	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current Assets	7,502.47	7,653.27
Current Liabilities	9,815.48	10,082.27
<b>Current Ratio</b>	<b>0.76</b>	0.76
Debt*	9,058.05	6,292.20
Equity	(1,106.53)	(3,846.75)
<b>Debt Equity Ratio</b>	<b>(8.19)</b>	(1.64)

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### 54. FAIR VALUE MEASUREMENT

#### A. FAIR VALUE MEASUREMENT

The following table shows the carrying amount and fair values of financial assets and liabilities by category:

		31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
		FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
(Amount Rs. in Lacs)							
(a)	<b>Financial Assets (Non-Current)</b>						
	(i) Investments- Equity Instrument	-	-	-	-	-	-
	(ii) Other Financial Assets	-	-	26.79	-	-	26.79
	<b>Total (a)</b>	-	-	26.79	-	-	26.79
(b)	<b>Financial Assets (Current)</b>						
	(i) Trade Receivables	-	-	1,045.47	-	-	1,582.26
	(ii) Cash and Cash Equivalents	-	-	1.68	-	-	187.46
	(iii) Bank Balances other than cash and cash equivalents	-	-	60.03	-	-	56.64
	(iv) Loans	-	-	-	-	-	-
	(v) Other Current Financial Assets	-	-	902.03	-	-	931.67
	(vi) Other Receivable	-	-	54.95	-	-	54.95
	<b>Total (b)</b>	-	-	2,064.15	-	-	2,812.97
	<b>Total Financial Assets (a + b)</b>	-	-	2,090.94	-	-	2,839.75
		31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023			
		FVTPL	Amortised Cost	FVTPL	Amortised Cost		
(a)	<b>Financial Liabilities (Non-Current)</b>						
	(i) Borrowings	-	3,665.11	-	2,179.20		
	<b>Total (a)</b>	-	3,665.11	-	2,179.20		
(b)	<b>Financial Liabilities (Current)</b>						
	(i) Borrowings	-	1,489.88	-	215.62		
	(ii) Trade Payables	-	6,670.45	-	8,534.93		
	(iii) Other Financial Liabilities	-	6.63	-	0.50		
	<b>Total (b)</b>	-	8,166.95	-	8,751.05		
	<b>Total Financial Liabilities (a + b)</b>	-	11,832.06	-	10,930.25		

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### B. FAIR VALUE OF FINANCIAL ASSETS & LIABILITIES

The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

(Amount Rs. in Lacs)

Particulars	31 <sup>st</sup> March. 2024		31 <sup>st</sup> March. 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Other Non-Current Financial Asset	26.79	26.79	26.79	26.79
Trade Receivables	1,045.47	1,045.47	1,582.26	1,582.26
Cash and Cash Equivalents	1.68	1.68	187.46	187.46
Bank Balances other than Cash and Cash Equivalent	60.03	60.03	56.64	56.64
Other Current Financial Assets	956.97	956.97	986.62	986.62
<b>Total Financial Assets</b>	<b>2,090.94</b>	<b>2,090.94</b>	2,839.75	2,839.75
<b>Financial Liabilities</b>				
Long Term Borrowings	3,665.11	3,665.11	2,179.20	2,179.20
Short Term Borrowings	1,489.88	1,489.88	215.62	215.62
Trade Payables	6,670.45	6,670.45	8,534.93	8,534.93
Other Current Financial Liabilities	6.63	6.63	0.50	0.50
<b>Total Financial Liabilities</b>	<b>11,832.06</b>	<b>11,832.06</b>	10,930.25	10,930.25

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

### C. FAIR VALUE HIERARCY

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

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

**Level 2:** Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### (i) Trade Receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally from government agencies. As a practical expedient, the provision matrix is prepared based on historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. The provision matrix at the end of reporting period is given below

**(Amount Rs. in Lacs)**

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Less than 2 years	More than 2 years	Total	Less than 2 years	More than 2 years	Total
Gross Carrying Amount	1,045.47	33.48	1,078.95	1,582.26	33.48	1,615.73
Expected Loss Rate	0%	100%		0%	100%	
Expected Credit Losses (Loss Allowance Provision)	–	33.48	33.48	–	33.48	33.48
Carrying amount of Trade Receivables (Net of impairment)	1,045.47	–	1,045.47	1,582.26	–	1,582.26

### (ii) Loans and Other Financial Assets

The Company expose to credit risk in relation to inter corporate loans, investment in deposit with banks and other receivables. The credit risk on inter corporate loans and deposit with bank is limited because the counter parties are banks/ other corporates with high credit rating. As a practical expedient, the provision matrix is prepared based on financial stability of the counter party, historically observed default rates over the expected life of financial assets and is adjusted for forward looking estimates.

#### Loan to Body Corporate (including accrued interest)

**(Amount Rs. in Lacs)**

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Less than 2 years	More than 2 years	Total	Less than 2 years	More than 2 years	Total
Gross Carrying Amount	–	158.28	158.28	–	158.28	158.28
Expected Loss Rate	0%	100%		0%	100%	
Expected Credit Losses (Loss Allowance Provision)	–	158.28	158.28	–	158.28	158.28
Carrying amount of Loans (Net of Impairment)	–	–	–	–	–	–



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### (b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals. The table below provides details regarding remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	(Amount Rs. in Lacs)				
	On Demand	0 to 12 Months	More than 1 year to 5 years	More than 5 years	Total
<b>Year ended 31st March, 2024</b>					
Long Term borrowings (including current liabilities)	–	535.67	3,475.36	189.75	4,200.78
Short Term borrowings	–	954.21	–	–	954.21
Trade Payables	–	6,670.45	–	–	6,670.45
Interest accrued but not due on borrowings	–	6.63	–	–	6.63
Interest Payable (other than borrowings)	–	–	–	–	–
Others	–	–	–	–	–
Payable to Employees	–	203.92	–	–	203.92
<b>Total</b>	<b>–</b>	<b>8,370.88</b>	<b>3,475.36</b>	<b>189.75</b>	<b>12,035.99</b>
<b>Year ended 31st March, 2023</b>					
Long Term Borrowings (including Current Liabilities)	–	215.62	2,005.83	173.37	2,394.81
Short Term Borrowings	–	–	–	–	–
Trade Payables	–	8,534.93	–	–	8,534.93
Interest accrued but not due on borrowings	–	0.50	–	–	0.50
Interest Payable (other than borrowings)	–	–	–	–	–
Liability for Capital Expenditure	–	–	–	–	–
Others	–	–	–	–	–
Payable to Employees	–	284.41	–	–	284.41
<b>Total</b>	<b>–</b>	<b>9,035.46</b>	<b>2,005.83</b>	<b>173.37</b>	<b>11,214.66</b>

### (c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: Foreign Exchange Risk and Interest Rate Risk

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

### (i) Foreign Currency Exchange Risk

It is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has Foreign Currency Exchange Risk on imports of Raw Materials & Capital Equipment(s), Buyer's Credit in foreign currency and export of Jute goods for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. To mitigate the risk, the Company adopts a policy of selective hedging based on risk perception of the management using forward contract.

### (ii) Interest Rate Risk

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

(Amount Rs. in Lacs)

Particulars	31st March, 2024	31st March, 2023
<b>Fixed Rate Instruments</b>		
Financial Assets	60.03	56.64
Financial Liabilities	189.75	174.48
<b>Total</b>	<b>249.78</b>	230.12
<b>Variable Rate Instruments</b>		
Financial Assets	–	–
Financial Liabilities	4,011.03	2,220.33
<b>Total</b>	<b>4,011.03</b>	2,220.33

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 variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax	Effect on Equity
<b>As at 31st March, 2024</b>	+50	-20	-20
	-50	+20	+20
As at 31st March, 2023	+50	-11	-11
	-50	+11	+11

### 56. Other Statutory Information

- The company has not revalued its Property, Plant and Equipment and intangible asset during the year.
- The company does not have any Benami property. Further there are no proceedings initiated or are pending against the company for holding any Benami property under the Prohibition of Benami property/Transactions Act 1988 and Rules made thereunder.
- The company does not have transactions with any struck off companies during the year
- The company has not traded or invested in Crypto currency or Virtual currency during the current financial year.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

- (e) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- 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
- (g) 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
- (h) The company has not been declared as a Wilful defaulter by any bank or financial institution or government or any government authority.
- (i) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with companies (restriction on number of layers) rules, 2017.
- (j) The company has not filed any scheme of arrangements in terms of section 230 to 237 of the Companies Act 2013 with any Competent Authority.

57. Previous year figures have been regrouped / rearranged wherever considered necessary.

### As per our Report annexed

#### For Anand Gupta & Associates

Chartered Accountants

FRN No. 330186E

Rahul Surana

Partner

Membership No.309619

UDIN: 24309619BKFNNZ6388

Kolkata, the 16<sup>th</sup> day of May, 2024

Surendra Kumar Agarwal

Sunil Jain

Mayank Goyal

Akhil Jain

Deo Kishan Kothari

Rahul Agarwal

### On behalf of the Board of Directors

: Chairman (DIN: 00464907)

: Managing Director (DIN: 00486597)

: Director (DIN: 06476192)

: Director (DIN:06635949)

: Chief Financial Officer

: Company Secretary (M. N. ACS 49475)

