

# **NATH INDUSTRIES LIMITED**

## **43RD ANNUAL REPORT**

**2024-25**

<b>Registered Office</b>  Nath House, Nath Road Aurangabad- 431005 Maharashtra  <b>Corporate Office</b> 1, Chateau Windsor, 86, Veer Nariman Road, Churchgate, Mumbai – 400 020	<b>Units:</b>  i) <b>Rama Paper</b> Plot No. 293-296, Phase II, G.I.D.C., Vapi – 396195 Gujarat. ii) <b>Nath Paper</b> Nath Nagar (north), Village Wahegaon, Taluka Paithan, Dist. Aurangabad. iii) <b>Nath Chemical</b> Plot No. 295, Phase II, G.I.D.C., Vapi – 396195 Gujarat
<b>Directors:</b>  Shri Akash Kagliwal Shri Abhaykumar Jain Shri Kashinath Iyer Ganapathy Shri Hitesh Purohit Shri Madhukar Deshpande Ms. Nupur Lodwal  <b>Company Secretary:</b>  Ms. Nupur Lodwal	<b>Statutory Auditors:</b>  N R Agrawal & Co Chartered Accountants
<b>Registrar &amp; Share Transfer Agent:</b>  Big Share Services Pvt. Ltd. Office No S6-2, 6 <sup>th</sup> Floor, Pinnacle Business park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai 400059	<b>Bankers</b>  State Bank of India

**Contents:**
**Page No.**

Notice	1-10
Directors Report	11-53
Independent Auditors Reports	54-61
Balance Sheet	62
Profit and Loss Account	63
Cash Flow Statement	64
Statement of changes in Equity	65
Notes to Accounts	66-107

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 43<sup>rd</sup> **ANNUAL GENERAL MEETING** of **NATH INDUSTRIES LIMITED** will be held on Friday, 19<sup>th</sup> September, 2025 at 12.30 P.M. through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. ADOPTION OF FINANCIAL STATEMENTS.**

To receive, consider and adopt Audited Balance Sheet of the Company as at March 31, 2025 and Statement of Profit & Loss for the year ended as on that date together with the Report of Directors and Auditors thereon.

#### **2. RE-APPOINTMENT OF DIRECTOR**

To appoint Mr Abhaykumar Jain (DIN 02454426) as Director of the Company, who retires by rotation and being eligible, offer himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2025-2026**

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on March 31, 2026, amounting Rs. 50,000/- (Rupees Fifty Thousand Only) plus Goods and Service tax and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

### **NOTES**

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this

EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the EGM/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 EGM/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 EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.nathindustries.com](http://www.nathindustries.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA Bigshare Services Private Limited in case the shares are held by them in physical form.
11. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.

12. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 16<sup>th</sup> September 2025 to 18<sup>th</sup> September 2025 both days inclusive.

13. As there is special business, hence Explanatory Statements is given herewith this notice, pursuant to Section 102(1) of the Companies Act, 2013 during the year.

14. Ms. Neha P. Agrawal, Company Secretary in whole time practice, has been appointed as Scrutinizer who in the opinion of the Board, can scrutinize the e-voting process in fair and transparent manner.

15. Instruction for E-Voting and joining AGM are as follows:

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 16.09.2025, at 09.00 A.M. and ends on 18.09.2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 12.09.2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 12.09.2025.

**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**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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>1. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <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>2. 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></ol>

	<ol style="list-style-type: none"> <li>3. 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>4. 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>5. 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> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin: 0 20px;">  <p>App Store</p> </div> <div style="text-align: center; margin: 0 20px;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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 able to see the e-Voting</li> </ol>

	option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	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 & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**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.com](mailto:evoting@nsdl.com) 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 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.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [nehapagrawal@gmail.com](mailto:nehapagrawal@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. 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.
3. 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 Sanjeev Yadav at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### **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 [investor@nathindustries.com](mailto:investor@nathindustries.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 ([investor@nathindustries.com](mailto:investor@nathindustries.com)). If you are an Individual shareholders 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.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are 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 EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

- Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

- Member will be provided with a facility to attend the EGM/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” 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.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@nathindustries.com. The same will be replied by the company suitably.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

- Member will be provided with a facility to attend the EGM/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 General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General 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.
- 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, email id, mobile number at [investor@nathindustries.com](mailto:investor@nathindustries.com) . The same will be replied by the company suitably.
6. Shareholders who would like to express their views or have questions may send their questions in advance, mentioning their Name, Demat account number, Folio Number, mobile number and e-mail address at ([investor@nathindustries.com](mailto:investor@nathindustries.com)) from 17<sup>th</sup> September, 2025 (9:00 a.m. IST) to 18<sup>th</sup> September, 2025 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

For Nath Industries Limited  
Akash Kagliwal  
Managing Director  
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: [investor@nathindustries.com](mailto:investor@nathindustries.com)

Date : 12.08.2025

## **Explanatory Statements, as required by Section 102 of the Companies Act, 2013**

### **ITEM 3**

#### **TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2025-2026**

The Company is directed under the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, to have the audit of its cost records conducted by a Cost Accountant. Further, 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.

The Board, on recommendation of the Audit Committee has approved the appointment and remuneration of M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) as Cost Auditors of the Company to conduct the audit of the cost records of the company for the Financial Year 2025-26 at a fee of Rs. 50,000/- plus applicable taxes and reimbursement of out of pocket expenses, as remuneration.

In pursuance of Section 148 of the Companies Act 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Accordingly consent of the members is sought by way of an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration amounting to Rs. 50,000/- plus applicable taxes and reimbursement of out-of-pocket expenses, as remuneration.

Hence this resolution is put for the consideration of the shareholders.

The Board recommends an Ordinary Resolution set out at Item No 3 in the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

For Nath Industries Limited  
Akash Kagliwal  
Managing Director  
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: investor@nathindustries.com

## **DIRECTORS' REPORT**

Dear Shareholders,

We have the pleasure in presenting the 43<sup>rd</sup> Annual Report of the Company and the audited statement of accounts for the year ended 31<sup>st</sup> March, 2025.

### **FINANCIAL PERFORMANCE**

A summary of the financial results is given below:

(Rs. In Crores)

<b>FINANCIAL RESULTS</b>		
<b>Particulars</b>	<b>Year Ended</b>	
	<b>31.03.2025</b>	<b>31.03.2024</b>
Total Income	432.55	325.22
Profit before Interest & Depreciation	34.67	16.92
Interest & Depreciation	21.69	16.15
Profit before Tax	12.98	0.77
Provision for Taxes	3.24	0.28
Surplus for the year	9.74	0.49
Other Comprehensive Income	-1.46	1.57
Total comprehensive Income for the year	8.28	2.06
Earnings per Share (Rs.)	5.12	0.26

### **REVIEW OF OPERATIONS**

The company is operating mainly two segments

- 1) Paper and**
- 2) Industrial Chemicals.**

We are glad to inform that the outcome of all the projects implemented in previous year have been very encouraging and it has given the desired results. The total income of the Company increased from Rs 325.22 Crores to Rs 432.55 Crores thereby witnessing an increase of total income by 33 %. The EBIDT increased from Rs 16.92 Crores to Rs 34.67 Crores and the net profit after tax increased from Rs 0.49 Crores to Rs 9.74 Crores. The EBDIT margin has improved to 8.02 % and we are hopeful that in coming years, EBDIT margin will improve to 10-11% as achieved by the company in past.

Installation of co-generation power plant in Unit Rama Paper, 3.3 MW Turbine in Unit Nath Paper and 1 MW Solar power plant in Unit Nath Paper has substantially reduced Power and Fuel cost during the year. Power and Fuel cost incurred during the year came down from Rs 47.66 Crores to Rs 35.42 Crores despite the increase in turnover by 32.25 %. Ratio of Power and fuel cost to Sales has come down to 8.34% during the year from 14.85% recorded in previous year. The benefit of reduced Power and Fuel Cost is likely to remain continue in ensuing years.

### **PAPER DIVISION**

The performance of paper division in second half was subdued because sluggish demand and increased import from China intensified the competition. It adversely resulted in price pressure

and squeezing profit margins. As per the report of Indian Paper Manufacturers Association, only 550 out of 900 mills were operational during the year. However, because of the diversified and specialty paper portfolio of the company, wide network of dealers across the globe and exports to over 22 countries, the impact is not severe.

Unit Rama Paper has developed the new grade in absorbent kraft named Platinum which is used for high grade laminates. The product will be launched during the current year.

The new coating machine installed in Unit Nath Paper is established and the production of thermal paper is increased substantially. Unit Nath Paper is poised to achieve 4,500 MT during the year.

The Company has further proposed to install 2 MW solar power plant as a measure of green energy in Unit Nath Paper in coming year which will also reduce the dependency as well as power cost from the grid.

### **CERTIFICATIONS**

The company aspires to be rated as following Six Sigma standards, and to achieve this target the company has entered into data driven approach to achieve near perfect quality and process. In order to support this mission, the company has been able to attain the ISO certifications, like ISO 9001:2015 which prompts to follow – Total Quality management System and ISO 14001:2015 for Environment Management System. On its continued journey to achieve Excellence in Conservation and Biodiversity, the Company retains its FSC COC certification to ensure its dedication to maintain Ecological integrity and protect biodiversity ecosystem. The products manufactured under its norms attained Global recognition and company is awarded the status of **2 Star Export house** due to significant increase in Export.

As already informed last year, the excellence in quality of products has crowned your company to receive “**Export Excellence Award**”- **Gold** in Multi Products Category for three years consecutively for year **2018-2019**, year **2019-2020** and year **2020-2021**. More proudly the company placed itself in a Global leadership position in related segments.

### **PRODUCTS AND NEW PRODUCTS LAUNCH**

Company has already niche range such as **Absorbent Kraft, Bag Kraft**. The addition of **Padding Paper and Platinum grade of Absorbent Kraft** replacing 100% virgin kraft will prove to be another mile stone, While **MG White Tissue, Colour Tissue and Gift Wrap Tissue** are well established and has Global acceptance along with **One time Carbon Base Paper**. This year the company will add new range of **Sublimation Base Paper, Masking Paper** to MG range of papers, which will add up the new classified markets and generate extra revenue. Additional revenue as profits and an edge over quality along with vital growth is assured for these products in the time to come. Last year your company had successful launched the kraft for square bottom **paper bags Kraft** named as **Mac D** to support state’s ban on Single use Plastic movement. The Mac D Kraft/ Shoppers Bags Kraft are now well accepted in the markets.

Innovation, valuations, and 24x7 R & D to develop new products is unstoppable work in Mills Laboratory. The come out with new elite products is slated only to fetch higher revenue and reputation to the company.

## **MARKETING STRATEGIES**

Company's ideology and complete focus is on Eco and Environment friendly Papers with it's commitments for sustainable Forestry and low on carbon footprints. The efforts made to safeguard this ideology are yielding effective benefits.

### **Self-reliance and product upgradation.**

As our country is immerging as fastest growing Paper market in the world, it has capacity and access to better quality and competitively priced Raw material to produce quality products. The Government of India has also implemented a Quality Control Order (Q C O) for quality improvement under close supervision of Bureau of Standards. (BIS).

### **US Tariff imposition – Challenges and opportunities.**

While US Imposition of duty tariff @ 26% poses challenges it also provides the opportunity for Indian Paper Industry to be more self-reliant and cost effective.

The Government incentive to domestic paper producers and restrictions on Imports will prove to be the boosters.

### **Action Plans.**

Plans set to achieve business goals and objectives is all time large vision for Company's strategic approach to channelise it's Marketing and promotion of products. Policy bound expanded and dedicated nationwide dealers network generates consistent and committed business volumes flawlessly. In Order to increase the sales, revenues and sustainable advantage of markets potential, we recently developed and introduced few more synergic products.to our existing range to Gift wrap grades of Tissue paper and Laminates grades of Kraft Paper. Consistency in product's quality and prompt sales after service contribute a vital role in retaining the market share.

### **Company's Marketing strategies are mainly based on following three steps –**

- Product: that meet customer /consumer needs.
- Price: On level playing field driven by affordable prices to balance cost and revenue.
- Promotion: Through strong and dedicated distribution network and other associate partners.

According to Grand View research-The global paper industry is expected to grow at 2.5% -3.5% (CAGR) 2025 to 2030. While India Paper Industry growth is predicted to 5.5% -6.5% CAGR by

Research and Markets during 2025-2030 and more particularly the Laminates Industry's growth in India during next five years is estimated to an excited rate of 10%-12% CAGR. More exciting and encouraging news is that market Pundits are forecasting the growth in Tissue export business at 12%-15% CAGR.

Increasing demand for Laminates and tissue paper and packaging is expected to increase due to the growth of e-commerce as well as the other B2B and B2 C platforms.

We are on leading position in domestic market and more focused on expanding export markets for our products like Absorbent Kraft, White Tissue and Colour Tissues and M G Kraft from South East Asian countries, Middle East to Africa, Europe and South America and encash the maximum potential of industrial and commercial growth in these regions.

Company's products Absorbent Kraft and Gift wrap Tissues and their components are strong enough to capture a phenomenal growth in Domestic and international demand.

## **CHEMICAL DIVISION**

### **UNIT-NATH CHEMICAL**

Revival in chemical sector in second half of the year benefited the chemical division very well. Expansion in manufacturing capacity from 280 TPD to 500 TPD and installation of 3.3 MW turbine resulted in achieving turnover of Rs 89.28 Crores and recorded profit before interest and tax Rs 15.24 Crores. Projection of normal monsoon is expected to drive further demand for agrochemical and fertilizers which in turn will create good demand for chemical division.

The enhanced capacity in Unit Nath Chemicals was fully utilized during the year. Installation of 3.3 MW turbine has met its power requirement. The quantity of surplus steam is significant and the negotiation are going on for supply of steam as green energy. Steam has become an integral product of the company apart from the Sulphur based chemicals manufactured by the division.

Various governments have banned Freon gas for air-conditioning because of environmental issues which has created demand for Sulphur Dioxide. As an established player in Sulphur Dioxide, unit Nath chemicals is in the process of finalizing enhancement of Sulphur Dioxide capacity from 60 MT to 90 MT.

## **DIVIDEND**

In view of proposed growth plans and investment, the Board of Directors are of the opinion to conserve the profit and hence no dividend is recommended.

## **TRANSFER TO RESERVES**

The entire retained earning as on 31<sup>st</sup> March 2025 of Rs 153.84 Crores has been retained as it is and no amount is transferred to any reserve.



## **SUBSIDIARY COMPANY, JOINT VENTURE OR ASSOCIATE COMPANIES**

As on 31.03.2025, Company doesn't have any Subsidiary, Joint Venture and Associate Company.

## **PUBLIC DEPOSIT**

The Company has not accepted any kind of public deposit falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year.

## **EXTRACT OF ANNUAL RETURN**

Annual Return in form no MGT-9 of the Company for the year under review has already been published on the company's website [www.nathindustries.com](http://www.nathindustries.com) and it is also annexed to Board of Directors Report in Annexure-I.

## **CORPORATE GOVERNANCE**

The Company reaffirms its commitment to the highest standards of Corporate Governance practices to comply with the applicable laws, rules and regulations and forms part of this report and given in Annexure- II.

## **NUMBER OF MEETINGS HELD DURING THE YEAR**

Six Board meetings were held during the financial year 31<sup>st</sup> March 2025. The details of the Board meetings and Committee meetings held during the year is given in Para 2 of Annexure-II.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Because of non-applicability of the provisions of Section 135 of the Companies Act 2013, CSR liability for the year is NIL. No amount is unspent as on 31<sup>st</sup> March 2025.

In-spite of non-applicability, the Company is monitoring the education project implemented by the implementing agency.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report, is given in **Annexure-IV**.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made there under, Mr Abhaykumar Jain (DIN 02454426) Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting. The Board of Directors recommends the re-appointment Mr Abhaykumar Jain as a Director of the Company.

The Company has received declarations from all the Independent Directors of the Company in terms of Section 149(7) of the Act, confirming that they meet criteria of independence as prescribed under section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, 2015.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement Under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts for the year ended March 31, 2025, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2025 and of the Profit 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 the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

No employee including Managing Director and Whole Time Director of the Company has received remuneration exceeding the limit prescribed in Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration for Managerial Personnel) Rules, 2014.

Disclosure required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration for Managerial Personnel) Rules, 2014 is made part of the Directors Report as Annexure-V.

### **EVALUATION OF BOARD**

Nomination and Remuneration Committee of Directors specified the manner for effective evaluation of performance of the Board, its Committees and Individual Directors (including Independent Directors) in accordance with the provisions of the Act and the Listing Regulations.

Accordingly, the Board of Directors has made formal annual evaluation of its own performance and that of its Committees and Individual Directors (including Independent Directors) in accordance with the manner specified by the Nomination and Remuneration Committee of Directors.

The Board also carried out evaluation of the performance of individual Directors (including Independent Directors) on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its Committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of Non-Independent Directors, Board as a whole and Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried out by them and that the Independent Directors were satisfied in this regard.

The manner in which the evaluation was carried out is mentioned in the Corporate Governance Report.

### **INTERNAL CONTROL SYSTEM**

The Company has robust Internal Control framework which has been instituted considering the nature, size and risks in the business. The Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds/ errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company has appointed Internal Auditor who is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements, as well as suggesting improvements to systems and processes. The Company's operating management closely monitors the internal control environment and ensures that the recommendations from audits are effectively implemented. The Audit Committee of the Board monitors performance of the Internal Audit Function, reviews key findings and provides strategic guidance.

No major irregularity has been observed and the Audit Committee is of the opinion that Internal Control System implemented by is in existence, followed and effective.

The information about the Internal Control System and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

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

The Company has a Vigil Mechanism/ Whistle Blower Policy for the Directors and Employees of the Company in accordance with the Provisions of Section 179 (9) and (10) of the Companies Act, 2013 to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action.

The details of establishment of such mechanism has been also disclosed on the website of the Company [www.nathindustries.com](http://www.nathindustries.com) . It is affirmed that no personnel have been denied access to the Audit Committee.

## **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up an Internal Complaints Committee (ICC) at its work place(s) to redress the complaints of women employees. During the financial year ended 31st March 2025, no complaint has been filed with ICC with allegation of sexual harassment. Further, there were no complaints pending as at the end of the financial year ended 31st March 2025.

## **RISK MANAGEMENT POLICY**

Risk management is an integral component of good corporate governance and fundamental in achieving the Company's strategic and operational activities. It improves decision making, defines business opportunities and mitigates the material events that may impact shareholder value.

The Board of Directors have designed risk management policy for the company which consist of identification of elements of risks which may threaten the existence of the Company as per the provisions of Section 134(3) of the Companies Act, 2013. The detailed policy forms part of the Annual Report and it is given in **Annexure IV**.

## **STATUTORY INFORMATION**

The Company is operating in Paper and Chemical business and is the member of BSE Platform.

## **STATUTORY AUDITORS**

The members, in the 41<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2023, appointed M/s N R Agrawal & Co, Chartered Accountants, Mumbai (having Firm Registration No.100143W) as Statutory Auditors of the Company for a period of five years up to the conclusion of the 46th Annual General Meeting.

## **COST AUDITOR**

The Board has appointed M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership no-30063, PAN no- AJDPD6775F) Daman for the financial year 2025-26. Company has maintained Cost record and conducted cost audit as specified by Central Government under Section 148 (1) of Companies Act, 2013.

## **SECRETARIAL AUDITOR**

The Secretarial Audit for the FY 2024-25 was carried out by Ms. Neha P. Agrawal. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report forms the part of this report and annexed in **Annexure-VII**.

## **AUDITORS REPORT**

The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self-explanatory. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the financial year ended 31st March 2025, no contracts or arrangements or transactions material in nature were entered into by the Company with the Related Parties. Transactions carried out with related party were carried out in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

As transactions with related parties were carried out at Arm's length price, provision relating to filing of Form AOC-2 is not applicable.

The Corporate Governance Report contains relevant details on the nature of Related Party Transactions and the policy formulated by the Board on materials Related Party Transactions.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees or securities and investments in terms of the provisions of Section 186 of the Act are given in the notes to the financial statements.

## **INSURANCE**

All the properties and the insurable interest of the Company including building, plants and machineries and stocks wherever necessary and to the extent required have been adequately insured.

## **RESEARCH & DEVELOPMENT**

The Paper divisions of the company are engaged in the manufacturing of customised specialty papers as per the requirement of the customers. The markets nowadays are very dynamic and the requirement of customers keep changing from time to time. The same is achieved through Research and Development which is an integral part of the operations of the company. It helps in improving and developing the new products as well as the manufacturing processes. It involves researching the new markets for our products, customers' needs and developing and improving the product to fit these needs within the permissible cost budgets by changing the raw material mix, improved production processes. Over the years, company has developed various new products as well as reached various new geographies.

## **ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R& D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below:

### **(A) Conservation of Energy**

The Company recognizes that energy consumption is not only a key indicator of operational efficiency but also in mitigating effects of Global warming and climate change. Steps are being continually taken to conserve and reduce energy consumption. In this regard, various key initiatives taken by the Company are outlined below:

- i. As mentioned earlier, installation of co-generation power plant, 3.3 MW turbine and 1 MW Solar power plant has reduced Power and Fuel by Rs 12.24 Crores.
- ii. After successful implementation and achieving desirable results, company is planning to install additional 2 MW Solar Power Plant as a step towards green energy which is expected to generate 36,00,000 units p.a. which will in turn reduce the demand for power from grid.
- iii. After enhancement of capacity of Sulphuric Acid plant, Unit Nath Chemical has surplus steam generation even after meeting its power and steam requirement. Negotiations are under way for export of surplus steam to potential customer which will fulfil their steam requirement thereby conserving the nature.
- iv. By replacing the old cables and process parameter optimization, the electricity consumption per unit of Paper and Chemical has also reduced.

### **(B) Technology Absorption and Research Development**

During the year, company has performed various research and development activities for development of paper grades. Platinum grade in Absorbent Kraft having ash content of 2% will be launched during the year. Even on raw-material part, variety of combinations of furnishes were tested and developed which has helped in controlling the cost without compromising the quality of the finished product.

Installation of pepsi pulp street has replaced the usage of hard wood pulp with paper cups which has also helped in conserving the nature and requirement for hardwood pulp.

### **(C) Foreign Exchange Earnings and Outgo**

The Company has incurred the following expenses in foreign currency during the financial year 2024-25. The rupee equivalent of that amount has been given hereunder:

Particulars	Rs. In Crores
Total Earnings	45.80
Total Expenditure	98.57

## **ACKNOWLEDGEMENT**

The Board of Directors sincerely thank Company's employees for their commitment, dedication, unconditional support and co-operation has which helped the company in achieving its targets.

The Board of Directors also acknowledges the unstinted support and co-operation received from its customers, suppliers, financial institutions, regulatory authorities and investors received during the year and look forward for the same in coming years too.

For and on behalf of the Board,

Place: Mumbai  
Date: 12.08.2025

Akash Kagliwal  
Managing Director  
(DIN:01691724)

**Annexure – I**

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2025</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.</b>

**I REGISTRATION AND OTHER DETAILS: -**

i	CIN	L21010MH1980PLC022820
ii	Registration Date	09.07.1980
iii	Name of the Company	Nath Industries Limited
iv	Category/Sub-category of the Company	Limited by Shares
v	Address of the Registered office & contact details	Nath House, Nath Road, Aurangabad 431005
vi	Whether listed company	Listed
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt Ltd. S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
i	Paper	Group-170	67
ii	Chemical	Group-202	33

**III PARTICULARS OF HOLDING, SIBSIDIARY AND ASSOCIATE COMPANIES:-**

Company is not having any holding, subsidiary and associates companies.



**IV. SHARE HOLDING PATTERN as on 31<sup>st</sup> March 2025**  
**(i) Category wise shareholding**

Category of Shareholders		No. of shares at the beginning of the year (As on 01.04.2024)				No. of shares at the end of the year (As on 31.03.2025)		% Of change during the year		
		Demat	Physical	Total	% Of total shares	Demat	Physical	Total	% Of total shares	
<b>(A)</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
<b>(a)</b>	Individuals/ HUF	753	350	1103	0.00	753	350	1103	0.00	0.00
<b>(b)</b>	Central Govt.	0	0	0	0	0	0	0	0	0.00
<b>(c)</b>	Bodies Corporate	14002962	0	14002962	73.71	14002962	0	14002962	73.71	0.00
<b>(d)</b>	FI/ Banks	0	0	0	0	0	0	0	0	0.00
<b>(e)</b>	Any Others	0	0	0	0	0	0	0	0	0.00
	<b>Sub Total(A)(1)</b>	14003715	350	14004065	73.71	14003715	350	14004065	73.71	0.00
<b>2</b>	<b>Foreign</b>									
<b>A</b>	Individuals (NRI)	0	0	0	0	0	0	0	0	0.00
<b>B</b>	Bodies Corporate	0	0	0	0	0	0	0	0	0.00
<b>C</b>	Institutions	0	0	0	0	0	0	0	0	0.00
<b>D</b>	QFI	0	0	0	0	0	0	0	0	0.00
<b>E</b>	Any Others	0	0	0	0	0	0	0	0	0.00
	<b>Sub Total(A)(2)</b>	0	0	0	0	0	0	0	0	0.00
	<b>Total Shareholding of Promoters (A) = (A)(1) + (A)(2)</b>	14003715	350	14004065	73.71	14003715	350	14004065	73.71	0.00
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
<b>(a)</b>	Mutual Funds / UTI	2740	4923	7663	0.04	2740	4923	7663	0.04	0.00
<b>(b)</b>	FI / Banks	26865	5891	32756	0.18	26865	5891	32756	0.18	0.00
<b>(c)</b>	Alternative Investment Fund	0	0	0	0	0	0	0	0.00	0.00
<b>(d)</b>	Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
<b>(e)</b>	Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
<b>(f)</b>	FII's	0	0	0	0	0	0	0	0.00	0.00
<b>(g)</b>	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0.00
<b>(h)</b>	Foreign Portfolio Investor	0	0	0	0	0	0	0	0.00	0.00
<b>(i)</b>	Any Other	0	0	0	0	0	0	0	0.00	0.00
<b>(i-ii)</b>	Overseas Bodies Corporate	0	0	0	0	0	0	0	0.00	0.00
	<b>Sub-Total (B)(1)</b>	29605	10814	40419	0.22	29605	10814	40419	0.22	0.00
<b>B 2</b>	<b>Non-institutions</b>									
<b>(a)</b>	Bodies Corporate	1836888	5486	1842374	9.70	1821089	5486	1826575	9.61	-0.09
<b>(b)</b>	Individuals									
	Individual shareholders holding share capital up to Rs 1 lakh	1799866	116641	1916507	10.09	1540247	109436	1649683	8.68	-1.41

	Individual shareholders holding share capital in excess of Rs. 1 lakhs.	978212	0	978212	5.15	1252649	0	1252649	6.59	1.44
(c)	Trust	0	0	0	0.00	26	0	26	0.00	0.00
(d)	Any Other	0	0	0	0	0	0	0	0	0.00
(d-i)	NRI	75724	1949	77673	0.41	87337	1949	89286	0.47	0.06
(d-ii)	Clearing Member	3524	0	3524	0.02	3520	0	3520	0.02	0.00
(d-iii)	HUF	136104	0	136104	0.73	132658	0	132658	0.69	-0.03
(d-iv)	Employees	0	1122	1122	0.01	0	1119	1119	0.01	0.00
	<b>Sub-Total (B)(2)</b>	<b>4830318</b>	<b>129033</b>	<b>4955516</b>	<b>26.07</b>	<b>4837526</b>	<b>117990</b>	<b>4955516</b>	<b>26.07</b>	<b>0.00</b>
	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>4859923</b>	<b>136012</b>	<b>4995935</b>	<b>26.29</b>	<b>4867131</b>	<b>128804</b>	<b>4995935</b>	<b>26.29</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>18863638</b>	<b>136362</b>	<b>19000000</b>	<b>100.00</b>	<b>18870846</b>	<b>129154</b>	<b>19000000</b>	<b>100.00</b>	<b>0.00</b>
(C)	<b>Shares held by Custodians for ADRs and GDRs</b>									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>18863638</b>	<b>136362</b>	<b>19000000</b>	<b>100.00</b>	<b>18870846</b>	<b>129154</b>	<b>19000000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Share Holding of Promoters:**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.Nandkishor Kagliwal	480	0.00	-	480	0.00	-	-
2.Jeevanlata N. Kagliwal	213	0.00	-	213	0.00	-	-
3.Subhash Kagliwal	25	0.00	-	25	0.00	-	-
4.Mrs Sweta Kagliwal	180	0.00	-	180	0.00	-	-
5.Akash Kagliwal	181	0.00	-	181	0.00	-	-
6.Anil Kagliwal	24	0.00	-	24	0.00	-	-
7.NCFS Limited	823	0.01	-	823	0.01	-	-
8.Paresh Farms Pvt. Ltd	27151	0.14	-	20364	0.11	-	-
9.Prabha Farms Pvt. Ltd	32139	0.17	-	32089	0.17	-	-
10.Jeevan Farms Pvt. Ltd	82157	0.44	-	82132	0.44	-	-
11.Akash Farms LLP	6927809	36.46	-	6927809	36.46	-	-
12.Ashu Farms LLP	5939745	31.26	-	5939745	31.26	-	-

13.Tapovan Paper and Board Mills Ltd	1000000	5.26	-	1000000	5.26	-	-
<b>Total</b>	<b>14004065</b>	<b>73.71</b>	<b>-</b>	<b>14004065</b>	<b>73.71</b>	<b>-</b>	<b>-</b>

(iii) **Change in Promoter's shareholding: -**

	No of Shares	% Holding
At the beginning of the year	14004065	73.71
At the end of the year	14004065	73.71

(iv) **Shareholding Pattern movement of top 10 Share Holders (Other than Director, Promoters& Holders of GDR & ADRs)**

Sr No	Name	No. of Shares at the beginning of the year	% of total shares of the company	No. of Shares at the end of the year	% of total shares of the company
1	Mayo Farm LLP	977419	5.14	977419	5.14
2	Tapovan Farms LLP	412901	2.17	412901	2.17
3	Malpani Financial Services Limited	125516	0.66	125517	0.66
4	Adesh Venture LLP	244798	1.29	244798	1.29
5	Babalbhai Manilal Patel.	51077	0.27	157834	0.83
6	Kailasben Ashokkumar Patel	103077	0.54	142083	0.75
7	Dineshkumar Jain	91907	0.48	91237	0.48
8	Nitaben Dahayabhai Patel	14524	0.08	85047	0.45
9	Purv Dipakkumar Patel	15495	0.08	52762	0.28
10	Madhav Sarda	50000	0.26	50000	0.26
11	Kiran Rashmin Rughani	0	0.00	50000	0.26

(v) **Shareholding of Directors & KMP: -**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1. Akash N Kagliwal	181	0.00	-	181	0.00	-	-
<b>Total</b>	<b>181</b>	<b>0.00</b>	<b>-</b>	<b>181</b>	<b>0.00</b>	<b>-</b>	<b>-</b>

**V. INDEBTEDNESS:**

Indebtedness of the company including interest outstanding /accrued but not due for Payment:

Rs. In Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
<b>Indebtedness at the Beginning of the financial Year</b>				
i)Principal Amount	95.81	40.18	-	135.99
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	95.81	40.18	-	135.99
<b>Changes during financial year</b>				
Addition	-	8.74	-	8.74
(Reduction)	(20.61)	-	-	(20.61)
Net Change	(20.61)	8.74	-	(11.87)
<b>Indebtedness at the end of the Financial year</b>				
i)Principal Amount	75.20	48.92	-	124.12
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	75.20	48.92	-	124.12

**VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director /Whole Time Director and /or Manager**

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Akash Kagliwal (Managing Director) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	60.00
	Total 1	60.00
2	Abhaykumar Jain ( Director) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	28.05
	Total 2	28.05
3	Ms Nupur Lodwal Director Cum Company Secretary a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	2.42
		2.42
	Grand Total 1 to 3	90.47

**B. Remuneration to other directors:****NIL****C. Remuneration to key managerial personnel other than MD/Manager/WTD:**

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Vijay Saboo ( CFO) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	48.00
	Total I	48.00

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT: -**

There are no Penalties / Punishment/ Compounding of offences against the company / its directors / other officers in default during the year.

## **Annexure - II**

### **CORPORATE GOVERNANCE REPORT**

#### **1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:**

Corporate governance guides how a company is directed and its relationships with its stakeholders. With the right structure and systems in place, good corporate governance enables company to create an environment of trust, transparency and accountability, which promotes long-term capital and supports economic growth and financial stability

Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices, and ensure that we gain and retain the trust of our stakeholders at all times.

Corporate Governance has several claimants, viz., Shareholders, and other stakeholders which include suppliers, customers, creditors, bankers, employees of the Company, the Government and the Society at large. The three key aspects of Corporate Governance are accountability, transparency and equality of treatment for all stakeholders. The fundamental objective of Corporate Governance is the “enhancement of Shareholder value, keeping in view the interest of other stakeholders”.

#### **In the above context, the Company's Philosophy on Corporate Governance is:**

To have systems in place which will allow sufficient freedom to the Board of Directors and Management to take decision towards the progress of the Company and to innovate while remaining within a framework of effective accountability.

To provide transparent corporate disclosures and adopt high quality accounting practices.

Timely and proper dissemination of material price sensitive information and ensure insiders do not transact in securities of the Company till such information is made public.

The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013 (the Act) and the same is available on the Company's website.

#### **2. BOARD OF DIRECTORS AND BOARD MEETINGS:**

The composition of the Board is devised in a manner to have optimal blend of expertise drawn from Industry, Management, Finance and Legal. The Board is responsible for ensuring that the Company is managed in a well-balanced manner that fulfils stakeholders' aspirations, attains sustainable growth, and adopts best corporate governance practices. The Board is further supported by Board Committee(s) who diligently and effectively discharge duties assigned by the Board of Directors in their respective 'Terms of Reference' and recommend actions for the consideration of the Board.

The composition of board of directors consists of 3 Executive Directors and 3 non-executive independent directors in compliance with the Listing Agreement. The details of the composition of the Board of Directors and details of other directorship held by them, during the year are mentioned as below:

Name	Category	No of outside Directorship held in Public Limited Companies	Committee Member ship	Committee Chairman ship
Mr Akash Kagliwal	Managing Director	1	-	-
Mr. Abhaykumar Jain	Executive Director	-	-	-
Mr Kashinath Iyer Ganpathy	Non-Executive & Independent Director	1	4	1
Mr. Hitesh Purohit	Non-Executive & Independent Director	3	4	
Mr Madhukar Deshpande	Non-Executive & Independent Director	-	-	-
Ms. Nupur Lodwal	Executive/woman Director and Company Secretary	1	1	-

### 3. Meeting and Attendance record of each Director

During the year ended 31<sup>st</sup> March 2025, Six meetings of the Board were held on the following date:

(1)30.05.2024 (2) 09.08.2024 (3) 26.08.2024 (4) 14.11.2024 (5) 06.02.2025  
(6) 28.03.2025

The attendance record of the Directors at the Board Meetings held during the year ended 31<sup>st</sup> March, 2025 and the last Annual General Meeting (AGM) of the Company are as under:

Name of the Director	Board Meetings	Last AGM ( Y/N)
Mr. Abhaykumar Jain	6	Yes
Mr Kashinath Iyer Ganpathy	6	Yes
Mr Hitesh Purohit	6	Yes
Mr Madhukar Deshpande	6	Yes
Mr Akash Kagliwal	6	Yes
Ms. Nupur Lodwal	6	Yes

### 4. Audit Committee:

The Audit Committee is constituted in line with provisions of Corporate Governance of Listing Regulation read with Section 177 of the Companies Act 2013.

#### Composition, attendance and dates of Meetings:

During the financial year 2024-25, Composition of Audit Committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Kashinath Iyer Ganpathy	Chairman	4
Shri Abhaykumar jain	Member	4
Shri Hitesh Purohit	Member	4

During the Financial Year 2024-25, Four Meetings of the Audit Committee members were held on the following dates:

(1) 30.05.2024 (2) 09.08.2024 (3) 14.11.2024 (4) 06.02.2025 .

**Terms of reference:**

The Terms of Reference of Audit Committee include overseeing the Company's financial reporting process and disclosure of financial information, reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval; reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control systems and all other matters specified under Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per Section 177 of the Companies Act, 2013 read with rules framed there under.

**5. Corporate Social Responsibility Committee (CSR) :**

The CSR Committee is constituted in line with provisions Section 135 of the Companies Act 2013.

**Composition, attendance and dates of Meetings:**

During the financial year 2024-25, Composition of CSR Committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Shri Kashinath Iyer Ganpathy	Member	Two
Mr Akash Kagliwal	Member	Two

During the Financial Year 2024-25, Two Meetings of the CSR Committee members were held on (1) 30.05.2024 and (2) 28.03.2025.

**Terms of reference:**

The role of the committee shall, inter-alia include the following:

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII.
- ii. Recommend the amount of expenditure to be incurred on the activities referred to



- in clause (i).
- iii. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

## **6. NOMINATION AND REMUNERATION COMMITTEE:**

The nomination and remuneration committee is constituted in line with provisions of Corporate Governance of Listing Regulation read with Section 178 of the Companies Act'2013.

### **Composition, attendance and dates of Meetings:**

During the financial year 2024-25, Composition of nomination and remuneration committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Mr Madhukar Deshpande	Member	Two
Shri Kashinath Iyer Ganpathy	Member	Two

### **Meetings and Attendance during the year:**

During the Financial Year 2024-25, Two Meetings of the Committee were held on 30.05.2024 and 28.03.2025.

### **Terms of reference**

The role of the committee shall, inter-alia includes the following:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. 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 their appointment and removal.

The formal annual evaluation of the Board and its committees and Individual Directors is done on the basis of the criteria formulated by the Nomination and Remuneration Committee.

### Details of Remuneration to all the Directors and/or Managers

Particulars of Remuneration	Shri Akash Kagliwal – Managing Director	Shri Abhaykumar Jain Executive Director	Shri Hitesh Purohit Independent Non – Executive Director	Shri Kashinath Iyer- Independent – Non – Executive Director	Shri Madhukar Deshpande – Independent Non-executive Director	Ms. Nupur Lodwal- Director and Company Secretary	Shri Vijay Saboo CFO
Salary as per Provisions of Section 17(1) of I.T.Act,1961	60.00	28.05	NIL	NIL	NIL	2.42	48.00
Perquisites as per Provisions of Section 17(2) of I.T.Act,1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Profit in view of Salary u/s 17(3) of I.T. Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Stock option/ Sweat equity/ commission/ others	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	60.00	28.05	NIL	NIL	NIL	2.42	48.00

During the year no sitting fees paid to any Directors.

## 7. STAKEHOLDER RELATIONSHIP COMMITTEE

The stakeholder relationship committee is constituted in line with provisions of Corporate Governance of Listing Regulation read with Section 178 of the Companies Act 2013.

### Composition, attendance and dates of Meetings:

During the financial year 2024-25, Composition of stakeholder relationship committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Ms Nupur Lodwal	Member	Two
Shri Kashinath Iyer Ganpathy	Member	Two

### **Meetings and Attendance during the year:**

During the Financial Year 2024-25, Two Meetings of the Committee were held on 30.05.2024 and 28.03.2025.

### **Terms of reference**

The Committee has been constituted to resolve the complaints and grievances of the investors/stakeholders and also to function in an efficient manner that all issues / concerns of stakeholders are addressed / resolved promptly.

### **Name & Designation and Address of the Compliance Officer**

**Ms. Nupur Lodwal – Company Secretary**

Nath Industries Limited

Office: 1, Chateau Windsor, 86, Veer Nariman Road,  
Churchgate, Mumbai – 400 020

**Ramesh Sidram Phadatare – Deputy General Manager,**

Nath Industries Limited

Office: 1, Chateau Windsor, 86, Veer Nariman Road,  
Churchgate, Mumbai – 400 020

### **Status of Complaints received, resolved and pending as on 31<sup>st</sup> March, 2025**

Number of Shareholders' Complaints pending at the beginning of the year	0
Number of Shareholders' Complaints received during the year	0
Number of Shareholders' Complaints disposed during the year	0
Number of Shareholders' Complaints remain unresolved at the end of the year	0

### **GENERAL BODY MEETINGS**

The details of Annual General Meetings held during the last three years are as follows:

<b>Year</b>	<b>Day, Date and Time</b>	<b>Venue</b>
2021-22	30 <sup>th</sup> June 2022 at 03.00 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2022-23	29 <sup>th</sup> September 2023 at 12.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2023-24	27 <sup>th</sup> September 2024 at 12.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005

### **POSTAL BALLOT**

No Postal Ballot was conducted during the financial year under review.

### **EXTRAORDINARY GENERAL MEETING:**

During the year under review, no Extra Ordinary Meeting was held.

## 8 DISCLOSURES

### **Related Party Transaction**

The Board has formulated in a Policy on Related Party Transactions (RPTs). It has also fixed the materiality threshold under this policy is Rs 1,000 Crores or 10% of the Company's turnover as per the last audited financial statements whichever is lower. Transactions with a related party individually or taken together in a financial year crossing these thresholds would be considered material. This policy has been uploaded in the Company's website. Pursuant to Regulation 23 of the SEBI (LODR) Regulations, 2015, the Policy is reviewed by the Board once in three years and the said policy was last reviewed and approved by the Board on March 01, 2022. The said policy is available on the website of the Company at [www.nathindustries.com](http://www.nathindustries.com)

The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. The transactions with related parties have been disclosed separately in the Notes to the Financial Statements.

### **Statutory Compliance, Penalties and Structures**

Compliances and filings prescribed by Stock Exchange, Security and Exchange Board of India (SEBI) and other statutory bodies have been adhered to by the Company and there are no cases of non-compliances during last 3 years. No penalties have been levied nor any structures have been imposed on the Company on matters related to capital market.

### **Whistle Blower Policy/Vigil Mechanism Policy**

In deference to Section 177 (9) of the Act, read with relevant Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a vigil mechanism overseen by the Audit Committee. This policy was last reviewed and approved by the Board on March 01, 2022 and has been uploaded in the Company's website.

No complaint under this facility was received in the Financial Year 2024-25 and no personnel had requested access to the Audit Committee under this policy during 2024-25.

### **Reconciliation of Share Capital Audit**

To comply with the requirement of the SEBI, Audit of Reconciliation of Share Capital is conducted by a Practicing Company on quarterly basis. The Audit report affirms that the aggregate number of Equity Share of the Company held in National Security Depository Limited (NSDL) and Central Depository Services (India) Limited and in physical form tally with the total number of shares issued, paid up, listed and admitted capital of the Company.

## 9. MEANS OF COMMUNICATION

As per the requirement of listing agreement, the quarterly, half yearly and yearly financial results are submitted to the Stock Exchange and also uploaded on the Company's website

[www.nathindustries.com](http://www.nathindustries.com). The other information as required under the listing agreement or the Companies Act, 2013 or any other law which is required in public interest is also uploaded on the website [www.nathindustries.com](http://www.nathindustries.com).

## 10. GENERAL SHAREHOLDERS MEETING

### a. Annual General Meeting

Date, Time and Venue	19th September, 2025 at 12.30 p.m. at Nath House, Nath Road, Aurangabad – 431 005.
Financial Year	The Financial Year of the Company is from April 1 to March 31
Date of Book Closure	16 <sup>th</sup> September, 2025 to 18 <sup>th</sup> September, 2025 (both days inclusive).
Listing on Stock Exchanges	BSE
Scrip Code/ID	502587/NATHIND

### b. Financial Calendar (Tentative) :

Results for quarter ending 30 <sup>th</sup> June 2025	Second week of August, 2025
Results for quarter ending 30 <sup>th</sup> Sep. 2025	Last week of Oct. 2025
Results for quarter ending 31 <sup>st</sup> Dec. 2025	First week of Feb. 2026
Results for quarter ending 31 <sup>st</sup> March 2026	Last week of May, 2026
Annual General Meeting	September 2026

### c. Status of listing fees: Paid for the year 2024-25.

### d. Registrar & Share Transfer Agents Bigshare Services Private Limited S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Mahakali Caves Rd, Andheri (E), Mumbai – 400 093.

### e. Demat ISIN Number in NSDL & CDSL for Equity Shares: INE777A01023 Corporate Identification Number: L21010MH1980PLC022820

### f. Stock Market Price Data:

Month	Stock Market Price		Month	Stock Market Price	
	High	Low		High	Low
April 2024	76.24	65.45	Oct. 2024	73.00	63.31
May 2024	77.90	64.35	Nov. 2024	74.80	62.20
June 2024	75.99	60.00	Dec. 2024	75.59	63.01
July 2024	77.84	68.25	Jan. 2025	72.00	63.30
Aug. 2024	84.00	66.25	Feb. 2025	89.99	64.96
Sept. 2024	77.79	70.00	Mar. 2025	82.79	72.27

Source - BSE web site: [www.bseindia.com](http://www.bseindia.com)

g. Share Transfer System: The Company's Shares are covered under compulsory dematerialization and are transferable through the Depository System. Shares sent for transfer in physical form are registered & returned within a period of thirty days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

h. Shareholding Pattern and Distribution of equity shareholding as on 31<sup>st</sup> March, 2025.

i) Shareholding Pattern

Sr. No.	Category	No. of shares held	% of share holding
A	Promoters	1,40,04,065	73.71
B	Public	49,95,935	26.29
	TOTAL	1,90,00,000	100.00

ii) Distribution of Shareholdings as on 31<sup>st</sup> March, 2025

No. of Equity Share Held in Rs	No. of Share Holders	% of Share Holders	Shares	% of Total
1-500	27668	97.48	579964	3.05
501-1000	294	1.04	232990	1.23
1001-2000	167	0.59	251783	1.33
2001-3000	82	0.29	206844	1.09
3001-4000	30	0.10	107371	0.56
4001-5000	20	0.07	94144	0.50
5001-10000	51	0.18	348438	1.83
10001-above	70	0.25	17178466	90.41
Total	28382	100%	1,90,00,000	100%

**i. Dematerialization of Shares and Liquidity:**

The shares are compulsorily traded in de-materialised form and available at both National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**j. Plant Location:**

- i) Unit Rama Paper : Plot No. 293-296, Phase II, G.I.D.C., Vapi – 396195 Gujarat.
- ii) Unit Nath Chemical : Plot No. 295, Phase II, G.I.D.C., Vapi – 396195 Gujarat.
- iii) Unit Nath Paper : Nath Nagar (north), Village Wahegaon, Taluka Paithan, Dist. Aurangabad.

**k. Address for Correspondence:**

**Registrar and Share Transfer Agents:-**

Bigshare Services Private Limited  
S6-2 , 6<sup>TH</sup> Floor, Pinnacle Business Park,  
Mahakali Caves Road, Andheri (East)  
Mumbai 400093  
Tel.No. +91-22-62638200  
Email: investor@bigshareonline.com

**Registered Office:-**

Nath Industries Limited  
Nath House, Nath Road,  
Aurangabad – 431 005  
Tel.No. +91-240-2376315/16/17  
Email: [investor@nathindustries.com](mailto:investor@nathindustries.com) \_ Website: [www.nathindustries.com](http://www.nathindustries.com)

**Corporate Office:-**

Nath Industries Limited  
1, Chateau Windsor, 86, Veer Nariman Road,  
Churchgate, Mumbai – 400 020  
Tel.No. +91-22-22875653/54/55  
Email: [investor@nathindustries.com](mailto:investor@nathindustries.com) Website: [www.nathindustries.com](http://www.nathindustries.com)

**l. Compliance Certificate of The Auditors**

Certificate from the Company's Auditors, M/s. N R Agrawal & Co, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges, is attached to this Report.

**m. CEO and CFO Certification**

The Executive Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. The annual certificate given by the Executive Director and the Chief Financial Officer is attached to this Report.

**n. Compliance with Code of Conduct**

As Stipulated under the provisions of Regulation 34(3) read with Part D of Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended on March 31, 2025.

For and on behalf of the Board,

Place: Mumbai  
Date: 12.08.2025

Akash Kagliwal  
Managing Director  
(DIN:01691724)

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
Nath Industries Limited  
Nath House, Nath Road,  
Aurangabad

1. We have examined the compliance of conditions of Corporate Governance by Nath Industries Limited ("The Company"), for the year ended on 31st March, 2025 as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For N R Agrawal & Co  
Chartered Accountants  
(Firm's Registration No. 100143W)

N R Agrawal & Co  
PARTNER  
(Membership No. 30117  
Mumbai, 30<sup>th</sup> May 2025



## **CEO and CFO Compliance Certificate**

We, Akash Kagliwal, Managing Director and Vijay Saboo, Chief Financial Officer certify that:

a) We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2025 and to the best of our knowledge and belief:

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 Indian Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that

i) There has not been any significant change in internal control over financial reporting during the year under reference;

ii) Changes in accounting policies consequent to the implementation of new Indian Accounting Standards (Ind AS) have been appropriately disclosed in the financial statements. The impact of the new Ind AS on the Company's financials is not material; and

iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Akash Kagliwal  
Managing Director

Vijay Saboo  
Chief Financial Officer

Place: Mumbai  
Date: 30.05.2025

## **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

To,  
Nath Industries Limited  
Nath House, Nath Road,  
Aurangabad

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2025.

For and on behalf of the Board,

Place: Mumbai  
Date: 12.08.2025

Akash Kagliwal  
Managing Director  
(DIN:01691724)

### Annexure III

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

**1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR Committee**

The Company is not only concerned about statutory compliance or environmental compliance as required under the respective statute but it is also concerned about its responsibility towards the society. The company has strong belief that education is an important pillar for individual as well as social advancement. It is essential for personal growth, economic prosperity and social progress.

For this, company has fulfilled its CSR liability by way of contribution to educational institute which is engaged in promoting special education and skill development for the benefit of under-privileged children based in rural and remote area and who are deprived-off of quality education.

Provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company for the FY 2024-25 and hence no liability for the FY 2024-25 towards CSR is applicable. Despite that, the CSR Committee is engaged with the education institute and monitoring the its activities.

**2. The Composition of the CSR Committee as on 31.03. 2025.**

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Shri Kashinath Iyer Ganpathy	Member	Two
Mr Akash Kagliwal	Member	Two

3. Average net profit of the Company for last three financial years: Rs. 575.90 lacs

4. Prescribed CSR expenditure: NIL

CSR liability for the FY 2024-25 is NIL because of non-applicability of conditions prescribed in Section 135 of the Companies Act, 2013

5. Details of CSR spent during the financial year: Rs. NIL

6. Total amount to be spent for the financial year: Rs. NIL

7. Amount unspent, if any: Rs. NIL

## **Annexure IV**

### **MANAGEMENT DISCUSSIONS AND ANALYSIS**

#### **1. INDUSTRY OVERVIEW**

##### **A. PAPER INDUSTRY**

The global pulp and paper market size stood at USD 356 billion in 2024 and is projected to reach USD 362.41 billion in 2025, growing further to USD 1267.8 billion by 2033 at an estimated CAGR of 1.8%.

The Asian region dominates the pulp and paper market share. Asia Pacific is the leading region for the growth of paper-based products, with China being the largest manufacturer and consumer globally. The increasing adoption of pulp and paper products, coupled with improving lifestyles and stronger economic growth, will drive significant market opportunities. As demand for sustainable and eco-friendly alternatives rises, the region's growing industrial sector will further support the expansion of the paper-based product market, positioning it as a key player during the review period.

India ranks as the 15th largest paper producer globally, contributing 5 per cent to the world's paper market<sup>1</sup>. The industry's growth is driven by rising demand for corrugated and household paper products. As the fastest-growing paper market worldwide, India is poised for significant expansion, aligning with the country's economic growth. Paper serves multiple purposes, including carrying, wrapping, protecting, packaging, and functioning as a container. To meet increasing demand, India needs to add around 1 million tonne per annum (TPA) of integrated pulp, paper, and paperboard production capacity beyond the current levels.

The paper industry in India is highly clustered even though it demonstrates resilience, with revenues reaching ₹ 80,000 crores in FY24 at an annual growth of about 8.2 per cent per annum. The four main segments of the industry—printing and writing paper, newsprint, packaging paper and board, and specialty paper—serve diverse markets both domestically and internationally. The industry is distributed into small, medium, and large paper factories and mills, with over 900 mills scattered across the nation, with a majority of these mills existing in the plateau region of the country. The geographical spread of the industry, as well as the market, is mainly responsible for the regional balance of production and consumption.

Indian population is around 15% of world population but consumes only 5% of the total paper produced in the world. India's growing FMCG sector and high spending in education coupled with growth in organised retail and demand for better quality paper as well as more health consciousness of people, etc., are triggering factors of growth prospects of Indian Paper Industry. The industry provides direct employment to 0.5 million persons, and indirectly to around 1.5 million.

Demand for specialty paper is expected to increase driven by strong demand for tissue paper. Over fiscal 2023 to fiscal 2025, this segment grew at robust 11-13% CAGR to 1.9-2.3 million tonne by fiscal 2027 from 1.3-1.5 million tonne in fiscal 2022. The main varieties of specialty paper are tissue, decor, thermal, fine printing, cigarette, and business card paper. Rise in urbanisation, emphasis on hygiene through increased government thrust (via initiatives such as Swachh Bharat), and steady rise in healthcare and hospitality demand will lead to rise in demand

for tissue paper consumption. Moreover, rise in the number of cashless transaction (ATM, debit/credit card purchase, etc.) and increased billing (owing to rise in share of organised retailing) will boost demand for thermal paper.

While India Paper Industry growth is predicted to 5.5% -6.5% CAGR by Research and Markets during 2025-2030 and more particularly the Laminates Industry's growth in India during next five years is estimated to an excited rate of 10%-12% CAGR.

The fastest growth of 13.3 percent per annum is being exhibited by the tissue segment, aided by increased awareness about health and hygiene, a characteristic of a growing economy. Tissue is followed by cupstock growing at 10.5 percent. However, both tissue and cupstock have relatively smaller market size together accounting for about 4 percent share in total domestic consumption.

Increasing demand for Laminates and tissue paper and packaging is expected to increase due to the growth of e-commerce as well as the other B2B and B2 C platforms .

## **B. CHEMICAL INDUSTRY**

Sulphuric acid, a highly reactive acid, is completely miscible in water. It is one of the extensively produced and consumed commercial chemicals globally. Sulphuric acid is the largest volume commodity chemical produced in the world. Sulphuric acid is an odourless, colourless liquid, which is extensively utilized in the phosphate fertilizer industry.

The global sulphuric acid market was valued at USD 23.2 billion in 2024 and is estimated to grow at a CAGR of over 11.2% from 2025 to 2034. Major contributors of demand for the global sulphuric acid industry include key applications across multiple end-use sectors, among which majorly include the chemical industry, metals processing industry, as well as fertilizers.

The **India Sulphuric Acid Market** size was valued at 16.94 Million Tonnes in 2023 and the total India Sulphuric Acid revenue is expected to grow at a CAGR of 6.2% from 2024 to 2030, reaching nearly 25.82 Million Tonnes by 2030. The India sulphuric acid market is set to grow with increasing use in fertilizer and industrial chemical processing, bolstered by government initiatives to collaborate with global manufacturing firms.

The sulphuric acid business is a highly significant industry in numerous industrial applications, particularly fertilizers, metallurgy, and chemicals. It is a highly reactive and highly versatile industrial acid possessing highly powerful oxidizing properties. Growth in the market has one of the main causes in the increasing demand for fertilizers, and more specifically phosphate fertilizers, since sulphuric acid is a major ingredient in their manufacture. Besides, applications in petrochemical processing, chemical manufacturing, and wastewater treatment aid in the development of the market. The market is also burdened with high interest due to its use in the manufacture of batteries, particularly electric vehicle batteries.

Asia is the globe's largest market for sulphuric acid, while India and China are its largest consumers. High-speed industrialization, urbanization, and agriculture growth are the drivers of demand in the region. Sulphuric acid depends heavily on the fertilizer industry to produce phosphate fertilizers because agriculture is a strongly contributing industry in nations such as India. Furthermore, Chinese manufacturing dominance needs sulphuric acid to process metal, chemicals, and batteries. The development of electric vehicles in Asia is similarly boosting demand in lead-acid battery manufacturing for sulphuric acid. Expansion in wastewater

management and environmental issues is also triggering market growth. Environmental concerns surrounding acid emissions and handling, on the other hand, are setting governments to place stricter regulations and forcing companies to adopt cleaner manufacturing technologies. Despite disruption, increasing Asia-Pacific industrial and agricultural activity will continue to drive sulphuric acid consumption to be the key regional market over the next two to three years.

Based on application, the sulphuric acid market is segmented as fertilizers, chemical manufacturing, metal processing, petroleum refining, textile industry, automotive, pulp & paper, and others. Fertilizers held a dominant market share of around 55% in 2024 and is expected to grow at a lucrative pace till 2034. The global market is driven by fertilizers owing to rising global demand for agricultural production. Chemical production matches sulphuric acid's versatility and plays an important part in many chemical reactions. It's necessary in metal mining to get such metals as copper and zinc out of the ground. Moreover, Sulphuric Acid is an important chemical used during petroleum refining, helping to create gasoline and other crucial fuels, shining light on its importance and necessity within this industry.

Indian economy is basically an agrarian economy and even now nearly 68% of the workforce directly or indirectly depends on agriculture. The rise in demand for phosphate fertilizers is driving the India sulphuric acid market. The growing application of sulphuric acid in the processing of fertilizers and other industrial chemicals, coupled with rising initiatives by the Government of India to collaborate with global manufacturing firms, is further expected to drive India sulphuric acid market during the forecast period.

In terms of consumption, the fertilizer segment consumed around 60% of manufactured sulphuric acid. Further, sulphuric acid is widely consumed in the synthesis of specialty chemicals such as nitric acid, hydrofluoric acid, dyes, pigments, and titanium dioxide. Therefore, demand for sulphuric acid from the chemical synthesis segment is projected to rise at a considerable pace during the forecast period. Sulphuric acid is used to manufacture rayon. Sulphuric acid serves as an electrolyte in lead-acid storage batteries. Sulphuric acid is used in the pulp and paper industry, often for use in chlorine dioxide generation. Sulphuric acid is used in many other chemical processes and various wastewater and pH control applications.

## **2. Opportunities and Threats**

### **PAPER INDUSTRY**

#### **OPPORTUNITIES:-**

##### **THERMAL PAPER**

The India thermal paper market size reached USD 184.50 Million in 2024. Looking forward, the market is expected to reach USD 328.68 Million by 2033, exhibiting a growth rate (CAGR) of 6.10% during 2025-2033. The market is driven by increasing digital transactions, widespread adoption of point-of-sale (POS), increasing e-commerce growth, expanding retail and logistics sectors, rising healthcare applications, and ongoing innovations in eco-friendly alternatives. The Indian thermal paper market is experiencing substantial growth, driven by increasing digital transactions, the expansion of retail and e-commerce sectors, and the rising adoption of point-of-sale (POS) systems. This growth is further fuelled by the healthcare and logistics industries, which also rely on thermal paper for various applications

## **SUSTAINABILITY AND ECO-FRIENDLY SOLUTIONS**

A factor in the pulp and paper market growth is the growing demand for sustainable and eco-friendly packaging solutions. Paper is uniquely placed to offer an environmentally sustainable alternative as it is biodegradable, recyclable and is produced from sources which are renewable and sustainable. Paper can be recycled up to 6-7 times, making it one of the most recycled products in the world. The increasing consumer awareness of environmental enterprises has driven the demand for eco-friendly and sustainable packaging results. Pulp and paper products, being biodegradable and recyclable, have become favored choices in packaging diligence, particularly for food and e-commerce operations. Major companies are espousing paper-grounded packaging to meet nonsupervisory norms and consumer prospects. Inventions similar as lightweight and durable paper packaging have further enhanced the market's appeal, boosting the adoption of paper over plastic alternatives. This trend is anticipated to play a vital part in driving the growth of the pulp and paper market during the forecast period. Paper-based alternatives are increasingly gaining popularity due to their minimal environmental impact.

### **DEMAND FOR BETTER PACKING**

The demand for better quality packaging of FMCG products, textiles and pharmaceuticals, coupled with a booming e-commerce, rising healthcare spends, over-the-counter medicines and increasing preference for packaged ready-to-eat foods is leading to a rising demand for packaging paper and paperboard.

### **EXPANDING E-COMMERCE**

The expanding e-commerce sector is another key aspect of the pulp and paper market. The rapid growth of thee-commerce assiduity has significantly increased the demand for packaging materials, with paper and cardboard being primary choices. The rise in online shopping requires robust yet lightweight packaging solutions, encouraging manufacturers to invest in advanced pulp and paper products. Corrugated boxes and paper- based void fillers are considerably used for shipping purposes, icing product safety and sustainability. Supporting its expansion and fostering invention in packaging technologies as e-commerce continues to flourish encyclopaedically, particularly in developing regions, the pulp and paper market benefits from harmonious demand.

### **CUSTOMISATION AND PERSONALISATION**

With the rise of digital printing, brands are increasingly offering personalised packaging to enhance consumer engagement. This trend is transforming packaging from a functional necessity into a powerful marketing tool.

## **CHALLENGES TOWARDS PAPER INDUSTRY IN INDIA**

### **INCREASING IMPORTS**

The increasing import of paper (excluding newsprint) is likely to hinder domestic production, as the industry faces intense competition from imports, especially from ASEAN countries and China. Free trade agreements (FTAs) and import concessions have disadvantaged the domestic paper sector. The surge in imports appears to be causing an oversupply, which may limit production. India grants several concessions on paper imports and has previously signed FTAs

with ASEAN and South Korea, allowing these countries to export paper to India without any import duty. In 2024, India imported approximately 25 per cent of its wood pulp requirements from countries like Brazil and Indonesia. India provides import tariff concessions to China and other countries under the Asia Pacific Trade Agreement (APTA). It offers a 30 per cent margin of preference. Imports of paper and paperboard from China significantly jumped by 44 per cent during the first half of the ongoing fiscal year.

## **LACK OF INFRASTRUCTURE FOR WASTE COLLECTION**

In India, wastepaper collection primarily relies on an informal network of ragpickers, small scrap dealers, and local aggregators who manually gather, sort, and supply used paper for recycling. This decentralized and unorganized system leads to inefficiencies in wastepaper recovery, with India achieving a paper recycling rate of around 30-35 per cent, significantly lower than developed countries, where rates exceed 60-70 per cent. The lack of a structured collection mechanism results in substantial paper waste being either incinerated or disposed of in landfills, limiting the availability of high-quality recovered fibre for the domestic paper industry. Additionally, the absence of standardized segregation at the source further contaminates the collected wastepaper, reducing its usability in high-quality paper production. The heavy reliance on manual collection also exposes the paper industry to supply chain disruptions and inconsistent raw material availability, making it dependent on expensive imports.

## **ENVIRONMENTAL REGULATIONS AND RESOURCE SCARCITY**

One of the significant challenges in the pulp and paper market is navigating strict environmental regulations and addressing resource failure. Governments worldwide have assessed strict guidelines on deforestation, carbon emigrations, and water consumption, which impact product processes. The assiduity heavily relies on wood and water, both of which are getting increasingly scarce due to climate change and over-extraction. Compliance with environmental norms frequently demands expensive technological upgrades, adding functional charges. Also, the growing mindfulness of ecological issues has led consumers to demand sustainable alternatives, increasing pressure on traditional paper manufacturers to borrow eco-friendly practices while maintaining profitability.

## **CHEMICAL INDUSTRY**

### **OPPORTUNITIES:**

#### **SHIFTING SUPPLY CHAINS – CHINA + 1 STRATGEY**

After decades as the largest chemical manufacturer in the world, China is currently dealing with several serious issues like rising labour costs, strict environmental laws, and geopolitical trade tensions. Because of this, most of the industry players are starting to adopt the China+1 strategy, which diversifies supply chains to reduce heavy dependency on a single country. This presents an opportunity for India to become a more popular destination for major global chemical players.

## **AGRARIAN ECONOMY**

Indian economy is basically an agrarian economy and even now nearly 68% of the workforce directly or indirectly depends on agriculture. The rise in demand for phosphate fertilizers is driving the India sulphuric acid market.



## **GROWTH IN FERTILIZER PRODUCTION**

The farm sector is a major off-taker of Sulphuric Acid, particularly for the manufacture of phosphate fertilizers. With India prioritizing food security and yield improvement, fertilizer production is expanding. Initiatives such as PM-Kisan and soil health schemes promote the use of fertilizers, increasing demand. Government subsidy initiatives and initiatives for soil health are propelling higher consumption of sulphur fertilizers. The growth is backed by establishing new fertilizer units as well as increasing capacities in existing plants. Adding Sulphuric Acid production to the fertilizer production increases efficiency and economy, enabling a continuous supply. This segment will remain the leader in demand, vindicating Sulphuric Acid's important position in facilitating national agricultural output.

## **INCREASING DEMAND FROM BATTERY INDUSTRY**

Increased demand for battery manufacturing sulphuric acid comes mainly due to increasing demand for electric vehicles and renewable energy storage devices. Sulphuric acid used as an electrolyte in lead-acid batteries extensively used as an energy storage vehicle, industrial, and standby power system has been the largest driver of demand for demand growth during recent years. With more production of EVs, hybrid vehicles, and solar and wind energy systems, there is a greater demand for effective battery storage, hence the demand for sulphuric acid. Lead-acid batteries are also used in telecommunication and power backup systems, hence its applications. Battery recycling is also becoming more effective as well, with greater recovery and re-use of sulphuric acid, hence becoming more eco-friendly. Besides, technology related to batteries is also improving to enhance efficiency and durability of the battery and thereby increase the usage of sulphuric acid in energy storage products as well. With the trend of going renewable, the global market for sulphuric acid will also improve in the field of the battery industry.

## **GROWTH IN URBAN WATER TREATMENT APPLICATIONS**

Sulphuric acid is finding new uses in urban waste treatment and sludge processing. Private companies and municipal corporations are making use of acid hydrolysis for enhancing the dewatering of sludge and lowering levels of biohazard. The practice is increasingly common in high-density urban areas like Delhi and Bengaluru. It creates a new channel of demand for acid while at the same time staying aligned to Swachh Bharat and smart city missions, prompting suppliers to broaden services and modify distribution logistics accordingly.

## **PLI SCHEMES**

A PLI Scheme allocating a massive ₹18,000 crore to boost domestic chemical and pharmaceutical manufacturing, out of which ₹6,940 crores were reserved for developing the 41 critical KSMs (Key Starting Materials) and APIs (Active Pharmaceutical Ingredients) targeted at reducing import dependence. This is indirectly expected to attract more than ₹50,000 crore in investments and create 20,000 jobs.

## **PCPIRs**

The PCPIRs are special economic zones (SEZs) designed to facilitate petroleum and petrochemical production. The government aims to harness the benefits of shared infrastructure and support services to accelerate investment and industrial/manufacturing development in PCPIRs. Under the new PCPIR Policy, the government estimates investments to reach ₹10 lakh

crore by 2025. Dedicated chemical hubs like the Petroleum, Chemicals, and Petrochemical Investment Regions (PCPIRs) in the states of Gujarat, Andhra Pradesh, Odisha, and Tamil Nadu are leading large-scale manufacturing with shared infrastructure and logistical benefits. This PCPIR policy is expected to create 33.83 lakh job opportunities, 80% of exports over the next two decades.

## **HIGE FDI INVESTMENTS IN CHEMICALS**

Between April 2000 and March 2024, FDI inflows to the chemicals sector (excluding fertilisers) totalled \$22.146 billion. Moreover, the industry is projected to receive further investments amounting to ₹8 lakh crore by 2025.

## **SKILL INDIA AND PM KAUSHA VIKAS YOJANA**

Through these schemes, the government is actively preparing the incoming young workforce with all the necessary technical skills needed for chemical manufacturing. These programs aim to train over 10 million individuals annually over the coming years, addressing the skill gap in the chemical and pharmaceutical sectors.

These strategic opportunities in fertilizers, chemicals, mining, textiles, and water treatment are transforming Sulphuric Acid's market position in India. Industrialization, government support, and infrastructure growth are driving consumption growth over the long term. Integrated applications are enhancing market robustness while optimizing operating efficiency. With the growth of these industries, Sulphuric Acid will experience diversified, stable, and high-volume demand, cementing India as a key market and manufacturing destination.

## **CHALLENGES TOWARDS SULPHURIC ACID INDUSTRY**

### **TIGHT ENVIRONMENT REGULATIONS**

Tight environmental regulations on emissions and treatment are the largest concern of the sulphuric acid business. Sulphuric acid production releases sulphur dioxide, a gigantic pollutant and the cause of acid rain. Governments across the globe have enacted strict regulations to cap emissions, making production costly for manufacturers to meet. Apart from that, safe handling and transportation of sulphuric acid require specialized equipment, which makes it costly to run. These regulatory problems may deter markets to expand, particularly in the very highly regulated markets.

### **UNSTABLE RAW MATERIAL PRICES**

The sulphuric acid business has volatile prices of raw materials, i.e., oil and elemental sulphur. Being an oil refinery by-product, sulphuric acid price directly impacts production cost and sulphuric acid availability. Causes of volatility include world economic trends, political unrest, and disruptions in the supply chain. Demand-based price fluctuation due to the industry also influences price movement. To counter these threats, firms are concentrating on alternative production processes as well as sulphur recovery technology. Fluctuating raw material prices continue to be the largest challenge for the sulphuric acid industry, however.

### **3. Internal Control Systems and their adequacy**

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations and protecting assets from unauthorised use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

The internal control systems are regularly monitored, reviewed for their effectiveness and corrective actions are taken for its efficiency and effectiveness by the audit committee. It underlines the Company's commitment towards strong governance and operational integrity.

### **4. Financial performance with respect to operational performance**

The Company achieved EBIDTA of Rs. 34.67 Crores on total income of Rs. 432.55 Crores as against the EBIDTA of Rs. 16.92 Crores achieved on total income of Rs. 325.22 Crores in previous year. The EBIDTA for the current year was improved to 8.02% from 5.20% achieved in the previous year. Profit after tax recorded for the year is Rs 9.74 Crores as against Rs 0.49 Crores recorded in the previous year.

### **5. Development in human resources/industrial relations front**

The Company believes in engaging human resources as they are the key differentiator for the success of the Company. Keeping the employees engaged and committed can go a long way in attainment of objectives and ensuring sustained business performance. In line with this, the Company has initiated several interventions that will enhance the engagement of the employees. Being a people centric organisation, the Company recognises the significance of building next generation leadership by developing internal talent to meet the organisational objectives. Through this, the human resources function continues to align its strategic interventions and processes, while simultaneously addressing the needs of multiple stakeholders and maintaining a competitive employee cost. The Company continues to have cordial and harmonious industrial relations across all the manufacturing units

For and on behalf of the Board,

Akash Kagliwal  
Managing Director  
(DIN:01691724 )

Place: Mumbai  
Date: 12.08.2025

## Annexure V

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The percentage increased in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of the employees of the Company for the financial year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y.2024-25(in Lakhs)	% Increase in Remuneration in the F.Y. 2024-25
1	Shri Akash Kagliwal	60.00	0%
2	Shri Abhaykumar Jain	28.09	6.81%
3	Shri Vijay Saboo	48.00	23.39%
4	Ms. Nupur Lodwal	2.42	0%

## **Annexure VI**

### **RISK MANAGEMENT POLICY**

The Company Nath Industries Limited is required to adhere to the regulations made both by the Companies Act, 2013 and Listing Agreement governed by the Securities and Exchange Board of India (SEBI). Where any stipulation is common between the regulations more stringent of the two shall be complied with.

This Policy has been implemented by the Company w.e.f. 30.04.2016.

The Board of Directors of Nath Industries Limited has adopted the following policy and procedures with regard to risk management policy. It shall be attached to financial statements laid before a company in general meeting, a report by its Board of Directors, which shall include a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (a) of companies Act, 2013.

The purpose of the risk management policy shall be to assist the Board with regard to the identification evaluation and mitigation of operational, strategic and external environment risks. Pursuant to provisions of Section 177(4) and other applicable provisions of Companies Act, 2013 the Audit Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company.

The Board & Audit committee is responsible for reviewing and approving risk disclosure statement in any public documents or disclosures.

The Members of Audit committee and senior executives of the company shall have free access to management and management information. The members of the Committee at their sole authority, may seek the advice of outside experts or consultants where judged necessary.

The risk management policy will cover the following areas:

1. Assessment of the Company's risk profile and key areas of risk in particular.
2. Recommending to the Board and adopting risk assessment and rating procedures.
3. Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
4. Assessing and recommending to the Board acceptable levels of risk.
5. Development and implementation of a risk management framework and internal control system. On an annual basis, agreeing with the Audit Committee which aspect of the internal audit are non-financial aspects to be monitored. In relation to the non-financial aspects of the internal audit the committee to:
  - Monitor the progress of the Company's auditors against the audit plan.
  - Review all relevant representation letters signed by management.
  - Discuss the results of the internal audit with the Company's auditors; inquiring if there have been any significant disagreements between management and the Company's auditors, and monitoring management's response to the Company's auditors recommendations that are adopted.
  - Initiate and monitoring special investigation into areas of corporate risk and breakdowns in internal control.
  - Review the nature and level of insurance coverage.

## ANNEXURE VII

### SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To,  
The Members,  
Nath Industries Limited,  
1, Chateau Windsor,  
86, Veer Nariman Road,  
Church gate,  
Mumbai – 400 020

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

Based on my verification of the **M/s. Nath Industries Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2025** complied with the statutory Provisions listed hereunder and also that the Company has proper broad-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Nath Industries Limited** for the financial year ended on **31<sup>st</sup> March, 2025** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') to the extent applicable during the year:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other Laws Specifically Applicable to Company: -
  - a. Contract Labour (Regulation & Abolition) Act, 1970.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations 2015;

During the year under review, the company has complied with the provisions of the act, rules, regulations and guidelines mentioned above.

**I further report that,** based on the information provided by the company, its officers and authorized representative, during the conduct of the audit and also on the review of reports of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

**I further report that,** the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

**I further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I 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: Aurangabad  
Date: 30.05.2025

Name of PCS: Neha P. Agrawal  
FCS No.: 7350  
C.P. No.: 8048

# N R AGRAWAL & CO

CHARTERED ACCOUNTANTS  
(A PEER REVIEWED FIRM)

CA N R Agrawal   CA Nischal Agrawal   CA Jatin Rakholiya   CA Santosh Savni   CA Nikunj Rathod  
FCA, BSC(Hon)   FCA, B.Tech Comp   ACA, DISA, B.Com   ACA, B.Com   ACA, B.Com

## Head Office:

209/B Crystal Plaza,  
Opp. Infinity Mall, New link Road,  
New link Road,  
Andheri West-400053  
Tel: 66955551/2/3  
Email: nrAgrawalco@yahoo.com

---

## INDEPENDENT AUDITOR'S REPORT

To,  
**The Members of M/s Nath Industries Ltd.**

### 1. Report on the Financial Statements

We have audited the accompanying financial statements of M/s Nath Industries Ltd, which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information including the statement of Other Comprehensive Income, Cash Flow statement and Statement of changes in Equity for the year ended and Notes to the Ind AS Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion & to the best of our information and according to the explanation given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the act') in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2025, its profit including other comprehensive income and its cash Flow and the changes in equity for the year ended on that date.

### 2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting Standards referred to in section 129(1) of the Companies Act, 2013 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 & Section 134(5) of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

---

SURAT BRANCH ADDRESS: A 302, SHIVALIK RESIDENCY, KANTARESHWAR MANDIR ROAD, KATARGAM, SURAT, 395004

AHMEDABAD BRANCH ADDRESS: B/32/4, TAPSHIL SOCIETY, NR AMBICA VIDHYALAY, VIRAT NAGAR ROAD, ODHAV, AHMEDABAD, 382415

RAJKOT BRANCH ADDRESS: 'NIKUNJ' BLOCK NO. 7, NANDKISHOR SOCIETY 2 NEAR LAXMINAGAR, RAJKOT, 360002



5. We believe that the audit evidences obtained are sufficient and appropriate to provide a basis for our audit opinion.

**6. Opinion**

In our opinion and to the best of information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2025;

(b) in the case of the Statement of Profit and Loss, of the profit for the year & its cash Flow ended on that date

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act 2013 and on the basis of such checks of the books and records of the company as we consider appropriate and according to the information and explanations given to us, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order.

8. As required by section 143(3) of the Act, we report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
- (ii) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from examination of those books;
- (iii) The Balance Sheet, Statement of Profit and Loss and cash Flow statement dealt with by this Report are in agreement with the books of accounts;
- (iv) In our opinion, the aforesaid Ind AS financial statements including the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards notified under the Act, read with Rule 7 of the Company's (Accounts) Rules, 2014 & read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (v) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, We report that none of the director is disqualified as on March 31, 2025, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (vi) In our opinion & to the best of our information and according to explanation given to us, we report with respect to other matters to be included in Auditors Report in accordance with Rule 11 of the companies (Audit & Auditors) Rule 2014 as under:
  - i. The company does not have any pending litigation which would impact its financial position except excise duty liability as per para (vii) (b) of the Annexure 'A' of this report.
  - ii. The company did not have any long term contracts including derivative contracts, as such the question of commenting any material foreseeable losses there on does not arise
  - iii. There has been no delay in transferring amounts required to be transferred, to The Investors Education & Protection Fund by the company.

For N.R. Agrawal & Company  
Chartered Accountants  
Firm Reg. No. 100143W

Place: Mumbai  
Date: 30<sup>th</sup> May 2025

N.R. Agrawal  
Partner  
Membership No: .030117  
UDIN:- 25030117BMULBW5932

**The Annexure `A` referred to in paragraph 7 of our Report of even date to the members of M/s Nath Industries Ltd. on the accounts of the company for the year ended 31<sup>st</sup> March, 2025**

- i). a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.
- b) As informed to us, the fixed assets have been physically verified by the management during the year at reasonable intervals and we were informed that no material discrepancies have been noticed on such verification.

Title deeds of all immovable properties are held in the name of the company, except immovable properties belonging to company as under: `

**Freehold land**

Situated at Wahegaon Gut no 50/3 and 37/8, At Pimpalwadi 26/1, Gut No 124 (S No 54), Village Mudalwadi,

All above lands parcels are situated at Taluka Paithan, Dist Aurangabad Maharashtra - 431 148

Gross Value Rs. 837.24 lakhs

Net Rs. 837.24 lakhs

Total Area 72,441 sq meter

Held in the name of transferor company Nath Pulp and Paper Mills Limited since date of merger order dated 22nd August 2019

**Reason** - Transfer/Registration is under process

**Leasehold Land:-**

Lease hold land situated at Plot no 294- 295, Phase 2, Industrial Estate, GIDC, Vapi- Gujarat - 396 195.

Gross Value Rs. 4682.40 lakhs

Net Rs. 4068.31 lakhs

Area 39020 sq meters,

Held in the name of the transferor company Nath Industrial Chemicals Limited, since date of merger dated 22<sup>nd</sup> August 2019

**Reason** - Transfer/Registration is under process

**Residential Flats:-**

14 Flats at Gautam Apartment, Gunjan Area, Near Gautam Kirana Stores, GIDC, Vapi, Gujarat - 396 195.

Gross Value Rs. 106.92 lakhs

Net Rs. 87.74 lakhs

Area 650 sq meters,

Held in the name of the transferor Raveshia Associates , since date 1992

**Reason** - Transfer/Registration is under process

**Staff Quarters:-**

2 Staff quarters at RCF/10/119, Road H-II-2, Chanod, GIDC, Vapi, Gujarat- 396 195

Gross Value Rs. 15.40 lakhs

Net Rs.13.56 lakhs

Area 93 sq meters,

Held in the name of the Rama Pulp and Papers Limited, since date 1992

**Reason** - Transfer/Registration is under process

**Revaluation & holding Benami Property** - Not applicable for the year ended on 31/3/2025.

- ii). a) Physical verification of the inventory has been conducted at reasonable intervals by the management.

Procedures of physical verification of inventory followed by the management are appropriate reasonable and adequate in relation to the size of the company and nature of its business. No material discrepancies were noticed on physical verification.

- b) The company has been sanctioned working capital limits in excess of 5 crores, in aggregate, from banks on the basis of security of current assets. Quarterly returns or statement filed by the company with such banks are in agreement with books of accounts.
- iii). a) Company has made investments in shares provided guarantee, & granted unsecured loans & advances in the nature of loans to companies, firms or limited liability Partnerships.
- Aggregate amount advanced to parties other than subsidiaries, joint ventures & associates is Rs. 4,58,71,281/- & Balance outstanding at the balance sheet date is Rs. 60,19,174/- which is advance given for CSR Expense.
- b) Investments made, guarantee provided & terms & conditions of all the loans & advances in the nature of loans & guarantees provided are not prejudicial to the company's interest.
- c) In respect of loans & advances in the nature of loans, schedule of repayment of principal & interest is not stipulated. Receipt of the principal amount are regular. However, receipt of interest is not regular.
- d) There is no overdue amount as on 31<sup>st</sup> March 2025.
- e) No loans & advances in the nature of loans, has fallen due during the year. Hence question of renew or extension or granting of fresh loan do not arise.
- f) Company has granted loans & advances in the nature of loans, either repayable on demand without specifying any terms or period of repayment, aggregating Rs. 60,19,174/- including advance for CSR Expenses. Percentage to total loans granted is 100 %.
- iv) In respect of loans, investments, guarantees, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v). The company has not accepted deposits, hence question of compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 companies Act 2013 or any other relevant provisions of the companies Act 2013 and the rules framed there under, are not applicable to the company
- vi) a) Maintenance of cost records has been specified by CG u/s 148(1) of the Companies Act, 2013.  
b) Such cost accounts & records are being made & maintained by the company.
- vii) a) As per the records of the company and according to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, income tax, sales tax, Service tax, custom duty, Excise duty, cess, value added tax and other statutory dues, to the extent applicable to it.  
b) Company has not deposited disputed Excise Duty In respect of Vapi Plant & Aurangabad Plant respectively as under. Appeal by the company are pending before Appellate Authorities.

Name of statue	Forum where the dispute is pending	Amount Rs	Period to which the Amount Relates
Excise Duty	Unit- Nath Paper – Commissioner of appeal, Nasik has remanded	74,36,435	2010-2011 to 2014-2015

Excise Duty	back dispute to assessing officer  Unit- Nath Chemicals Customs Excise & Service Tax Appellate Tribunal, Ahmadabad for reversal of Modvat	8,84,386/-	2003-2004 to 2007-2008
----------------	---	------------	---------------------------

- viii) There is no unrecorded transaction or income in the books of the company which is surrendered or disclosed as income during the year.
- ix) a) The company has not defaulted in repayment of loans from Financial institution or bank or debenture holders  
b) Company is not declared as willful defaulter by any bank or financial institution or any lender.  
c) Company has taken term loans from Bank and term loans were applied for the purpose for which they were obtained.  
d) Funds raised on short term basis have not been utilized for long term purposes  
e) Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary, associates or joint venture.  
f) Company has not raised any loans during the year on pledge of any securities held in its subsidiary associates or joint venture.
- x) The company has not raised any funds during the year by way of any public issue or preferential allotment or private placement or debentures
- xi) a) According to the information and explanations given to us, there is no fraud by the company or on the company during the year.  
b) Auditors have not filed any report under section 143 (12) of the Companies Act 2013 with Central Government  
c) There is no whistle-blower complaint received during the year by the company
- xii) In our opinion & according to the information & explanation given to us, the company is not a nidhi company. Accordingly, this clause of the order is not applicable.
- xiii) Transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where ever applicable & the details have been disclosed in financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion & according to information & explanation given to us, company has internal audit system, commensurate with the size of the company and the nature of its business.  
b) Reports by the internal auditors has been considered by the statutory auditors.
- xv) Company has not entered in to non cash transactions with Directors or persons connected with him as referred in section 192 of the Companies Act, 2013.
- xvi) a) Company is not required to be registered under u/s 45-IA of the Reserve Bank of India Act, 1934.  
b) Company has not conducted any non-banking financial or housing finance activities.  
c) Company is not a Core Investment Company.  
d) Group do not have any Core Investment Company.
- xvii) There are no accumulated losses at the end of the financial year of the company and neither any cash losses are incurred in such financial year or in the immediately preceding financial year.
- xviii) There is no resignation by the statutory auditors during the year.
- xix) In our opinion & according to information & explanation given to us, there is no material uncertainty

exists on the date of audit report. Company is capable of meeting its liabilities existing at the date of balance sheet and when they fall due within a period of one year from the balance sheet date.

- xx) There is no unspent amount as per provisions of section 135 of the Companies Act, 2013
- xxi) The reporting on qualification or adverse remark issued by the respective auditors is not applicable in respect of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For N.R. Agrawal & Company  
Chartered Accountants  
Firm Reg. No. 100143W

Place: Mumbai  
Date: 30<sup>th</sup> May 2025

N.R. Agrawal  
Partner  
Membership No: .030117  
UDIN:- 25030117BMULBW5932

## **Annexure B to the Auditors' Report**

Report on the Internal Financial control 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 M/s Nath Industries Ltd as of 31st March 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

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

### **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 Company 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 details, 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 preparing 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 the

management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, 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 31st March 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.R. Agrawal & Company  
Chartered Accountants  
Firm Reg. No. 100143W

Place: Mumbai  
Date: 30<sup>th</sup> May 2025

N.R. Agrawal  
Partner  
Membership No: .030117  
UDIN:- 25030117BMULBW5932

Nath Industries Limited  
Balance Sheet as at March 31, 2025  
L21010MH1980PLC022820

Particulars	Note No.	(Rs. in Lakhs)	
		As on 31.03.2025	As on 31.03.2024
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	28,053.17	28,852.03
(b) Capital work-in-progress	2	36.83	36.83
(c) Financial assets			
(i) Investments	3	0.20	0.20
(ii) Loans and Advances	4	615.27	362.52
(iii) Other Financial Assets	5	547.01	531.25
(d) Other non-current assets	6	1,881.18	1,896.42
		31,133.66	31,679.25
<b>Current assets</b>			
(a) Inventories	7	3,868.62	4,594.88
(b) Financial assets			
(i) Investments	8	775.92	924.35
(ii) Trade receivables	9	7,051.71	4,982.38
(iii) Cash and Cash Equivalents	10	12.66	628.06
(iv) Loans and advances	11	-	322.38
(v) Other Current Financial Assets	12	445.51	655.30
(c) Other current assets	13	1,847.75	1,360.57
		14,002.17	13,467.92
<b>Total Assets</b>		<b>45,135.83</b>	<b>45,147.17</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	14	1,900.00	1,900.00
(b) Other equity	15	23,453.89	22,625.47
		25,353.89	24,525.47
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	2,427.00	3,275.10
(ii) Deferred Sales Tax Liabilities payable as per Govt Scheme	17	3,010.82	3,010.82
(b) Other non-current liabilities	18	316.80	334.84
(c) Provisions	19	524.61	579.98
(d) Deferred tax liabilities (net)	20	2,660.64	2,336.55
		8,939.87	9,537.29
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	6,973.78	7,312.86
(ii) Trade payables	22	2,311.95	2,849.75
(b) Other current liabilities	23	849.44	518.71
(c) Provisions	24	531.90	403.09
(d) Current Tax Liabilities (net)		175.00	-
		10,842.07	11,084.41
<b>Total Equity and Liabilities</b>		<b>45,135.83</b>	<b>45,147.17</b>
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 47		

IN TERMS OF OUR REPORT ATTACHED  
FOR N.R. AGRAWAL & CO  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 100143W

N R AGRAWAL  
(PARTNER)  
M NO. 30117  
UDIN:-25030117BMULBW5932  
PLACE: MUMBAI  
Date:-30th May 2025

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL  
(MANAGING DIRECTOR)

ABHAYKUMAR JAIN  
(DIRECTOR)



Nath Industries Limited  
Statement of Profit and Loss for the year ended March 31, 2025  
L21010MH1980PLC022820

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2025	For the year ended 31.03.2024
<b>Income</b>			
Revenue from operations	25	42,447.24	32,095.03
Other income	26	807.34	427.10
<b>Total income</b>		<b>43,254.58</b>	<b>32,522.13</b>
<b>Expenses</b>			
Cost of material consumed	27	27,951.91	19,712.13
Purchase - Trading	28	96.65	4.92
Changes in inventories	29	349.34	(130.32)
Employee benefits expense	30	2,156.92	2,196.56
Finance costs	31	1,214.37	918.10
Depreciation and amortization expense	2	954.85	697.14
Other expenses	32	9,232.33	9,047.00
<b>Total expenses</b>		<b>41,956.37</b>	<b>32,445.53</b>
<b>Profit before tax</b>		<b>1,298.21</b>	<b>76.60</b>
<b>Tax expense :</b>			
(1) Current tax		227.37	9.44
(2) Deferred tax		324.09	26.73
(3) MAT Credit recognised		(227.37)	(9.44)
(4) Income tax adjustment of earlier years		0.40	0.45
<b>Total</b>		<b>324.49</b>	<b>27.18</b>
<b>Profit for the year</b>		<b>973.72</b>	<b>49.42</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		3.12	(16.10)
(ii) Income tax related to items that will not be reclassified to profit or loss		-	-
		(148.43)	172.90
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax related to items that will be reclassified to profit or loss		-	-
<b>Total comprehensive income for the period</b>		<b>828.41</b>	<b>206.22</b>
<b>Earnings per equity share</b>			
(1) Basic		5.12	0.26
(2) Diluted		5.12	0.26
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 47		

IN TERMS OF OUR REPORT ATTACHED  
FOR N.R. AGRAWAL & CO  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 100143W

N R AGRAWAL  
(PARTNER)  
M NO. 30117  
UDIN:-25030117BMULBW5932  
PLACE: MUMBAI  
Date:-30th May 2025

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL  
(MANAGING DIRECTOR)

ABHAYKUMAR JAIN  
(DIRECTOR)

Nath Industries Limited  
Cash Flow Statement for the year ending 31.03.2025  
L21010MH1980PLC022820

(Rs. in Lakhs)

Particulars	For the Year Ended 31st Mar, 2025		For the Year Ended 31st Mar, 2024	
<b>A. Cash flow from operating activities</b>				
Net Profit after Tax		973.72		49.43
<b>Adjustments for:</b>				
Depreciation and amortisation	954.85		697.14	
Finance costs	1,214.37		918.10	
Tax Expenses	551.46		36.17	
Interest income	(143.77)		(163.98)	
Dividend Income	(10.64)		(10.67)	
Loss/ (Profit) on Sale of Asset	(80.74)		0.09	
		2,485.53		1,476.85
<b>Operating profit / (loss) before working capital changes</b>		<b>3,459.25</b>		<b>1,526.28</b>
<b>Changes in working capital:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
Inventories	726.26		153.02	
Trade receivables	(2,069.33)		535.73	
Security Deposits	(15.75)		123.71	
Current Financial Assets	209.79		(177.09)	
Other Current Assets	(487.17)		762.04	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Trade payables	(537.80)		68.64	
Other Non-current liabilities	(18.04)		334.84	
Other current liabilities	330.72		(322.19)	
Net Income tax Paid	(279.74)		(18.88)	
Provision for Expenses / ( Paid)	40.67		(10.25)	
Short Term Employee Benefits Paid	88.14		20.44	
Long Term Employee Benefits Paid	(52.24)	(2,064.49)	5.93	1,475.95
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>1,394.77</b>		<b>3,002.23</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets	(155.99)		(9,017.54)	
Change in Capital work in progress	-		5,909.22	
Advance Received back / (given) for Development of Land	15.24		-	
Advance Received back / (given) for purchase of Land	-		-	
Loans and advances Received Back /(Given)	297.00		(310.20)	
Capital Advances Paid	-		221.61	
Interest received	143.77		163.98	
Dividend Received	10.64		10.67	
Profit/(loss) on Sale of Asset	80.74		(0.09)	
		391.40		(3,022.35)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>391.40</b>		<b>(3,022.35)</b>
<b>C. Cash flow from financing activities</b>				
Increase / (Repayment) of Long term Borrowings	(848.11)		(9.22)	-
Increase / (Repayment) of Short-term borrowings from Banks	(339.08)		1,561.03	-
Finance cost	(1,214.37)	(2,401.56)	(918.10)	633.71
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(2,401.56)</b>		<b>633.71</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(615.40)</b>		<b>613.59</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>628.06</b>		<b>14.47</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>12.66</b>		<b>628.06</b>
<b>Comprises: Cash and Cash Equivalents</b>				
(a) Cash on hand		10.59		620.36
(b) Balances with banks in Current Accounts		2.07		7.70
		12.66		628.06

IN TERMS OF OUR REPORT ATTACHED  
FOR N.R. AGRAWAL & CO  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 100143W

N R AGRAWAL  
(PARTNER)  
M NO. 30117  
UDIN:-25030117BMULBW5932  
PLACE: MUMBAI  
Date:-30th May 2025

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL  
(MANAGING DIRECTOR)

ABHAYKUMAR JAIN  
(DIRECTOR)

Statement of Changes in Equity:-

A. Equity Share Capital

(Rs. in Lakhs)				
Balance as at 01st April 2024	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2024	Changes in equity share capital during the current year	Balance as at 31st March 2025
1,900.00	-	-	-	1,900.00

Balance as at 01st April 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2023	Changes in equity share capital during the current year	Balance as at 31st March 2024
1,900.00	-	-	-	1,900.00

B. Other Equity as on 31st March 2025

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2024	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47
Profit for the year	-	-	-	-	-	973.72	-	973.72
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	(145.30)	(145.30)
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.89
Dividend	-	-	-	-	-	-	-	-
Transfer to /(From) Retained earning	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.89

B. Other Equity as on 31st March 2024

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2023	45.00	570.07	31.25	7,710.00	300.00	14,360.78	(597.86)	22,419.24
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	14,360.78	(597.86)	22,419.24
Profit for the year	-	-	-	-	-	49.43	-	49.43
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	156.80	156.80
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47
Dividend	-	-	-	-	-	-	-	-
Transfer to /(From) Retained earning	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47

**NOTE NO. 1**

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31<sup>st</sup> March 2025**

**A. CORPORATE INFORMATION:**

**Nath Industries Limited –CIN L21010MH1980PLC022820** (the ‘Company’) is a public company limited by shares domiciled in India and is incorporated under the provision of the Companies Act applicable in India.

Company’s registered office is located at Nath House, Nath Road, Aurangabad (Maharashtra) and its manufacturing facilities are situated at Paithan (Maharashtra) & Vapi (Gujrat). The Company is mainly engaged in the business of manufacturing and selling of various types of industrial & specialty papers & industrial chemicals.

The equity shares of the Company are listed on the Bombay Stock Exchange Limited in India.

The financial statements were approved and authorized for issue in accordance with the resolution of the Company’s Board of Directors on 30<sup>th</sup> May 2025.

**B. SIGNIFICANT ACCOUNTING POLICIES.**

**a) Basis of Preparation & presentation:**

- i. The financial statements have been prepared on historical cost basis in accordance with applicable Indian Accounting Standards (herein after referred to as ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting.
- ii. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.
- iii. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

**(b) Revenue Recognition:**

**(i) Products**

Revenue from sale of goods is recognized when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. Sales are net of sales returns and Good and Service Tax (GST).

**(ii) Services**

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue from services is recognized on completion of services.

**(iii) Other Income**

Other Income such as Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Goods and Service tax (GST) is accounted based on both, payments made in respect of goods cleared / services provided.

**(iv) Export Benefits**

Export entitlements (arising out of Duty Drawback and RoDTEP) are recognized when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**(c) Use of Estimates:**

The preparation of the financial statements is in conformity with the Indian generally accepted accounting principles which requires making judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based on the Managements best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(d) Property ,Plant & Equipment:**

- i. Land and Building held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at fair value less accumulated depreciation and impairment losses. Freehold land is not depreciated while lease hold land is amortized over its balance lease life.
- ii. Assets other than land and building are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such assets are classified into appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.
- iii. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

- iv. 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 the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.
- v. Machinery spares procured along with the plant and machinery or subsequently and whose use is expected to be irregular are capitalized separately, if cost of such spares is known and depreciated fully over the residual useful life of the related plant and machinery. If the cost of such spares is not known particularly when procured along with the mother plant, these are capitalized and depreciated along with the mother plant. The written down value (WDV) of the spares is charged as revenue expenditure in the year in which such spares are consumed. Similarly, the value of such spares procured and consumed in a particular year is charged as revenue expenditure in that year itself.
- vi. Subsequent expenditure related to an item of fixed asset is added back to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.
- vii. All the other expenses of existing fixed assets, including day to day repair and maintenance expenditure, are charged to the statement of profit and loss account to the period during which such expenses are incurred.

**(e) Capital work in Progress:**

Expenditure related to and incurred during the construction / implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

**(f) Depreciation /Amortization:**

- i) Depreciation on tangible Property, plant and equipment is provided for on basis of useful life specified in Schedule II to the Act.
- ii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of Property, plant and equipment. The useful life is adopted for the purpose of depreciation is as under:-

Assets	F.Y. 2024-25 Useful Life	F.Y. 2024-25 Rate of Dep %
<b><u>Building :</u></b>		
Pulp mill building , security cabin and flats	60	1.58
Site development, drainage, bldg. staff qtrs.	60	1.58
Factory building	30	3.17
Roads	10	9.50
<b><u>Plant &amp; Machinery :</u></b>		
Electrical installation, effluent treatment plant, gas cylinder	10	9.50
Energy conveyor equipment		

Paper machine, gen plant & Machinery, boiler, Steam line pipe, DM plant, coal conveyor, water line	25	3.80
Energy saving equipment, steam turbine, bore well	25	3.80
Workshop plant & lab equip. Water meter	25	3.80
Co-generation Power Plant	25	3.80
<b><u>Furniture, Fixture &amp; Equipment:</u></b>	40	2.38
Furniture & fixture, air conditioner		
Office equipment	10	9.50
HF Transmitter	5	19.00
Water cooler	5	19.00
Computer	5	19.00
<b><u>Vehicles :</u></b>	3	31.67
Van and Scooter		
Motor Car	10	9.50
Pay Loader	8	11.88
	8	11.88

- iii) The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.
- iv) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work in Progress.

#### **(g) Intangible Assets**

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Computer Software for internal use, which is primarily acquired from third-party vendor is capitalized. Subsequent costs associated with maintaining such software are recognized as

expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized. Computer software are amortized on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortization method and useful lives are reviewed periodically at each financial year end.

**(h) Impairment of Tangible and Intangible Assets:**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

**(i) Borrowing Costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**(j) Investments:**

- (i) Investments which are readily realizable and intended to be held for not more than a year, from the date of acquisition, are classified as current investments. All other investments are classified as non-current investments.
- (ii) On initial recognition, all investments are measured at cost. The Cost comprises purchase price and directly attributable acquisition charges such as brokerages, fees and duties. If an investment is acquired, or partly acquired, by the issue of share or other securities, the acquisition cost is the fair market value of the securities issued. If an investment is acquired in



exchange for another asset, the acquisition is determined by the reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

- (iii) Provision for diminution in value of investments is made to recognize a decline in the value of investments. Investments other than long term investments being current investments are valued at market value as on balance sheet date determined on an individual basis.
- (iv) On disposal of an investment, the difference between its carrying amount and net disposal proceeds, is charged to or credited to the Statement of Profit & Loss.

**(k) Inventories:**

- (i) Raw materials, components, stores and spares are valued at lower of cost and net realizable value.
- (ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value which includes appropriate production overheads.
- (iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(l) Cash & Cash Equivalents: -**

In the Cash Flow Statement, Cash & cash equivalents comprise cash in hand and demand deposit with banks. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand and cheques in hand.

**(m) Government Grants**

Grants and subsidies from the government are recognized when there is reasonable assurance that (a) the company will comply with the conditions attached to them, and (b) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Grants which are given as equity support are disclosed as promoter contribution under the head Capital Reserve.

**(n) Loans & Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in

profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are de-recognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

**(o) Deferred Sales tax Liability and Deferred Sales Tax Asset: -**

Deferred Sales Tax/SGST Liability is the liability pursuant to the company being eligible under package scheme of incentives (PSI-1988) of Government of Maharashtra and Government Resolution no IDL/1093/(8889)/IND-8 dated 07<sup>th</sup> May 1993. Company was eligible to collect the sales tax upto 31<sup>st</sup> October 2020 and defer its payment as per the Package scheme of Incentives. Accordingly, Company recognizes the same as deferred sales tax liability as current liability and non-current liability

However, while giving impact of extension of additional eight years as per order of Hon'ble BIFR , Joint Commissioner of Sales Tax , Sales Tax Department, Govt of Maharashtra, had considered original due date based upon repayment after ten years in five equal annual Installment, whereas as per the Government Resolution No.IDL/1093/(8889)AIND-8 dated 7th May 1993, unit situated in Marathwada and Vidarbha are required to pay the deferred sales tax after 18 years in seven equal annual instalments. Therefore, the same has been re-arranged/re grouped in the current financial year.

Further, with the introduction of GST, Company was eligible to get refund of Gross SGST for the period of 1<sup>st</sup> July 2017 to 31<sup>st</sup> October 2020, based upon approved eligible investment. Accordingly, Company had recognized refund receivable as current Asset and deferred its repayment as Non-Current Liability.

**(p) Taxes on Income**

**Income Tax**

Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

**Deferred Tax Asset /Liability**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition

(other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Current and deferred tax for the period**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company recognizes interest levied and penalties related to Income Tax assessments in the tax expense.

#### **(q) Foreign Currency Transactions:**

##### **i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transactions.

##### **ii) Conversion**

Foreign currency monetary items are translated using the exchange rate prevailing on the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate on the date of transaction. Non-monetary items which are measured at fair value or other similar valuation

denominated in a foreign currency, are translated using the exchange rate on the date when such value was determined.

**(r) Employee Benefits :**

**i) Defined Contribution Plan**

The company has defined contribution plan namely Provident Fund & Employees State Insurance Contribution, administered by the Regional Provident Fund Commissioner. Regular contributions made to Provident Fund are charged to the Statement of Profit and Loss. The company has no further obligation beyond making its contribution on monthly basis.

The Company recognized contribution payable to this fund/scheme as expenditure, when an employee renders the related services. If the contribution payable to these funds/schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds/schemes are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**ii) Defined Benefit Plan:**

The Company determines the present value of the defined benefit obligation and recognizes the liability or asset in the balance sheet.

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

Defined benefit costs are composed of:

(a) service cost – recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.

(b) re-measurement of the liability or asset - recognized in other comprehensive income.

(c) re-measurement of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

**Short-term benefits:** A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short-term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

**Other long-term benefits:** Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

**Gratuity:**

The gratuity liability is determined on the basis of actuarial valuation as at year end. Provision in respect of leave encasement is made based on the basis of actual leave balance of employees at the end of the Year in accordance with Accounting Standard-15 on "Accounting for retirement Benefits in the financial statement of Employer" as issued by the Institute of Chartered Accountants of India.

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with independent actuarial valuations being carried out at each balance sheet date.

**Leave Encashment:-**

The company provides for leave encashment liability of its employees who are eligible for encashment of accumulated leave based as on the balance sheet date.

**Bonus:-**

The company recognizes a liability and expense for bonus. The company recognizes a provision where contractually obliged or where there is past practice that has created a constructive obligation.

**(s) Financial Assets at Amortized Cost:**

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

**(t) Financial Assets at Fair Value through other Comprehensive Income :**

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

**(u) Dividend Distribution to Equity-holders**

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**(v) Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**(w) Provisions & Contingent Liabilities:**

**Provisions:**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

**Contingent Liabilities:**

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

**(x) Financial Assets at Fair Value through Profit or Loss Account:**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

**(y) Financial Liabilities:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, 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. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Financial liabilities are measured at amortized cost using the effective interest method.

**(z) Reclassification of Financial Assets & Liabilities:**

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

**(aa) Offsetting of Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is no intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Nath Industries Limited

Notes to financial statements for the year ended March 31, 2025

Note no 2:- Property, Plant and Equipment:-

Property, Plant and Equipment, and Intangible Asset as on 31st March 2025:-

(Rs. in Lakhs)

Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Net Block as on 31.03.2025	Net Block as on 31.03.2024
		Opening Balance as on 01.04.2024	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2025	Balances as at April 1, 2024	Depreciation charge for the year	Depreciation on asset sold/ disposed off	Total Accumulated Depreciation upto 31.03.2025		
1	Freehold Land	5,136.64	-	(80.67)	5,055.97	-	-	-	-	5,055.97	5,136.64
2	Leasehold Land	7,023.20	-	-	7,023.20	839.57	113.82	-	953.40	6,069.80	6,183.63
3	Building	1,961.39	35.93	(54.87)	1,942.45	532.27	62.49	(2.18)	592.58	1,349.87	1,429.13
4	Plant and equipment	18,089.84	232.08	-	18,321.91	2,651.77	668.50	-	3,320.28	15,001.65	15,438.06
5	Office equipments	36.87	2.23	-	39.10	18.86	6.85	-	25.71	13.39	18.01
6	Electrical Installation	525.37	16.21	-	541.58	69.46	50.55	-	120.01	421.57	455.92
7	Furniture and Fixtures	157.03	0.69	-	157.72	51.10	13.88	-	64.98	92.74	105.93
8	Computers	27.65	2.21	-	29.86	23.41	1.67	-	25.09	4.77	4.24
9	Vehicles	322.50	-	-	322.50	242.03	37.07	-	279.11	43.39	80.47
	Total	33,280.50	289.34	(135.53)	33,434.31	4,428.48	954.85	(2.18)	5,381.14	28,053.17	28,852.03
	Capital Work in progress									36.83	

Property, Plant and Equipment, and Intangible Asset as on 31st March 2023:-

Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Net Block as on 31.03.2024	Net Block as on 31.03.2023
		Opening Balance as on 01.04.2023	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2024	Balances as at April 1, 2023	Depreciation charge for the year	Depreciation on asset sold/ disposed off	Total Accumulated Depreciation upto 31.03.2024		
1	Freehold Land	5,136.64	-	-	5,136.64	-	-	-	-	5,136.64	5,136.64
2	Leasehold Land	7,023.20	-	-	7,023.20	725.75	113.82	-	839.57	6,183.63	6,412.12
3	Building	1,970.14	14.34	(23.09)	1,961.39	471.34	62.95	(2.03)	532.27	1,429.12	1,545.95
4	Plant and equipment	9,475.76	8,625.59	(11.51)	18,089.84	2,209.90	443.40	(1.53)	2,651.77	15,438.07	7,215.19
5	Office equipments	23.11	13.76	-	36.87	13.10	5.76	-	18.86	18.01	8.03
6	Electrical Installation	155.61	369.76	-	525.37	53.13	16.32	-	69.46	455.91	117.26
7	Furniture and Fixtures	156.54	0.49	-	157.03	37.19	13.91	-	51.10	105.93	92.48
8	Computers	23.87	3.78	-	27.65	18.16	5.25	-	23.41	4.24	8.07
9	Vehicles	301.63	20.87	-	322.50	206.31	35.73	-	242.03	80.47	113.11
	Total	24,266.51	9,048.59	(34.60)	33,280.50	3,734.89	697.14	(3.56)	4,428.47	28,852.03	20,648.85
	Capital Work in progress									36.83	

Capital Work-in progress ageing as on 31st March 2025

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Project in progress	-	-	-	36.83	36.83
Total	-	-	-	36.83	36.83

Capital Work-in progress ageing as on 31st March 2024

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Project in progress	-	-	36.83	-	36.83
Total	-	-	36.83	-	36.83



**Note 3 : Non-current investments**

(Rs. in Lakhs)

Particulars	As on 31.03.2025	As on 31.03.2024
<u>Investment at Fair Value Throgh Other Comprehensive Income</u>		
<u>Investment in Equity Instruments</u>		
Unquoted shares		
2,000 Eq Shares of M/s Saraswat Co-operative Bank Ltd	0.20	0.20
<b>Total</b>	<b>0.20</b>	<b>0.20</b>
Aggregate amount of unquoted investments	0.20	0.20
Aggregate amount of impairment in value of investments		

**Note 4 : Non-current Loans and advances**

Particulars	As on 31.03.2025	As on 31.03.2024
Loans and Advances	60.09	34.71
Mat Credit Entitlement	555.18	327.81
<b>Total</b>	<b>615.27</b>	<b>362.52</b>

**Note 5 : Non-current Other financial Assets**

Particulars	As on 31.03.2025	As on 31.03.2024
Security Deposits	421.73	421.07
Earmarked Bank Deposits	125.28	110.18
<b>Total</b>	<b>547.01</b>	<b>531.25</b>

**Note 6 : Other non-current assets**

Particulars	As on 31.03.2025	As on 31.03.2024
Capital Advances	-	-
Advances for land development	675.65	690.89
Advances for purchase of land	1,205.53	1,205.53
<b>Total</b>	<b>1,881.18</b>	<b>1,896.42</b>

**Note 7 : Inventories**

Particulars	As on 31.03.2025	As on 31.03.2024
Raw Materials	1,616.66	1,949.29
Coal/Lignite Stock	51.31	53.88
Dyes and Chemicals	258.73	237.72
Stores, Spares & Tools	491.87	554.59
Finished Goods	1,255.93	1,579.90
Stock In Process	194.12	219.50
Total	3,868.62	4,594.88

**Note 8 : Current Investments**

Particulars	As on 31.03.2025	As on 31.03.2024
<u>Investment at Fair Value Throgh Other Comprehensive Income</u>		
<u>Investment in Equity Instruments</u>		
5,32,000 Eq Shares of M/s Nath Biogene (I) Ltd (Quoted , Face Value per share Rs. 10/-, Average cost per share is Rs. 247.096/- per share and market price as on 31.03.2025 is Rs. 145.85 (Previous year is Rs 173.75)	775.92	924.35
Total	775.92	924.35
Aggregate amount of quoted investments (Cost)	1,314.55	1,314.55
Aggregate amount of quoted investments (Market Value)	775.92	924.35

**Note 9 : Trade receivables**

Particulars	As on 31.03.2025	As on 31.03.2024
<u>Due for a period of more than six months</u>		
Secured, considered good	-	0.02
Unsecured, considered good	233.61	132.04
Unsecured, considered doubtful	9.02	18.69
Total Debtors o/s for more than 6 months	242.63	150.75
<u>Others</u>		
Secured, considered good	48.85	46.55
Unsecured, considered good	6,760.23	4,785.08
Total Other o/s Debtors	6,809.08	4,831.63
Total	7,051.71	4,982.38

## Trade Receivable ageing Schedule as on 31st March 2025

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 year	Total
Un-disputed Trade Receivables -Considered Good	6,808.52	117.22	15.23	2.55	98.61	7,042.13
Undisputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Un-disputed Trade Receivables -Credit Impaired	0.56	-	7.36	-	1.66	9.58
Disputed Trade Receivables -Considered Good		-				
Disputed Trade Receivable- Which have significant increase in credit risk		-				
Disputed Trade Receivables -Credit Impaired		-				
<b>TOTAL</b>	<b>6,809.08</b>	<b>117.22</b>	<b>22.59</b>	<b>2.55</b>	<b>100.27</b>	<b>7,051.71</b>

## Trade Receivable ageing Schedule as on 31st March 2024

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 year	Total
Un-disputed Trade Receivables -Considered Good	4,831.63	106.50	16.96	8.54	0.06	4,963.69
Undisputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Un-disputed Trade Receivables -Credit Impaired	-	1.06	0.97	1.52	15.13	18.69
Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables -Credit Impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>4,831.63</b>	<b>107.56</b>	<b>17.94</b>	<b>10.07</b>	<b>15.20</b>	<b>4,982.38</b>

**Note 10 : Cash and Cash Equivalents**

Particulars	As on 31.03.2025	As on 31.03.2024
Cash and cash equivalents		
Balances with Scheduled banks	2.07	620.36
Cash on hand	10.59	7.70
<b>Total</b>	<b>12.66</b>	<b>628.06</b>

**Note 11 : Current Loans and advances**

Particulars	As on 31.03.2025	As on 31.03.2024
Loans and Advances	-	322.38
<b>Total</b>	<b>-</b>	<b>322.38</b>

**Note 12 : Other current financial assets**

Particulars	As on 31.03.2025	As on 31.03.2024
Security Deposit	-	151.03
Interest accrued on deposits	32.96	23.54
Interest receivable	269.82	216.88
Advances to Employees	24.63	27.94
Export Incentive Receivable	52.41	48.25
Deferred Sales Tax Receivable	40.68	162.65
Other	25.01	25.01
<b>Total</b>	<b>445.51</b>	<b>655.30</b>

**Note 13 : Other Current Assets**

Particulars	As on 31.03.2025	As on 31.03.2024
Prepaid expenses	147.83	58.00
Advance for Expenses	11.47	10.69
Balances with government authorities	708.17	916.61
Advances to suppliers	980.28	375.27
<b>Total</b>	<b>1,847.75</b>	<b>1,360.57</b>

**Note 14 : Equity Share Capital**

(Rs. in Lakhs)

Particulars		As on 31.03.2025		As on 31.03.2024	
<b>Share capital</b>					
Authorised :		5,350.00		5,350.00	
5,35,00,000 Equity Shares of Rs. 10/- each					
(Previous Year 5,35,00,000 Equity Shares of Rs 10 each)					
Issued, Subscribed and Fully Paid up :					
1,90,00,000 Equity Shares of Rs. 10/- each		1,900.00		1,900.00	
(Previous Year 1,90,00,000 Equity Shares of Rs.10 each)					
(a) Reconciliation of Number of Shares					
Issued, Subscribed and Fully Paid up :					
Equity Shares as on 01.04.2024		1,90,00,000		1,90,00,000	
Add:- Issued During the year		-		-	
Total Equity Share capital As on 31.03.2025		1,90,00,000		1,90,00,000	
( b ) List of Shareholders holding more than 5% of the total Number of Share issued by the Company	No of shares	Holding %	No of shares	Holding %	
M/s. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%	
M/s Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%	
M/s. Tapovan Paper Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%	

**(c ) Disclosure regarding Shareholding of promoters****Shareholding of Promoters as at 31st March 2025**

Promoter Name	No of Shares	Holding %	No of Shares	Holding %	
1. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%	
2. Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%	
3. Tapovan Paper and Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%	

**Shareholding of Promoters as at 31st March 2024**

Promoter Name	No of Shares	Holding %	No of Shares	Holding %	
1. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%	
2. Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%	
3. Tapovan Paper and Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%	

Note 15 : Other equity

Particulars	As on 31.03.2025	As on 31.03.2024
Capital Subsidy	45.00	45.00
Capital Reserve	570.07	570.07
Forfeited Share App. Money	31.25	31.25
Share Premium	7,710.00	7,710.00
General Reserve	300.00	300.00
Retained Earnings		
Opening Balance	14,410.21	14,360.78
Add:- Net profit after Tax for the year	973.72	49.43
Total Retained earning	15,383.93	14,410.21
Other Comprehensive Income		
Opening Balance	(441.06)	(597.86)
Less: Other Comprehensive Profit /( Loss) for the year	(145.30)	156.80
Total Other Comprehensive Loss	(586.36)	(441.06)
Total	23,453.89	22,625.47

Note 16 : Non-current Borrowings

Particulars	As on 31.03.2025	As on 31.03.2024
Term Loans from Financial Institutions	2,408.16	3,250.08
Vehicle Loan	18.84	25.02
Total	2,427.00	3,275.10

Note 17: Deferred Sales Tax Liabilities

Particulars	As on 31.03.2025	As on 31.03.2024
Deferred Sales Tax Liabilities - VAT	2,171.50	2,171.50
Deferred Sales Tax Liabilities - SGST	839.32	839.32
Total	3,010.82	3,010.82

**Note 18: Other Non-Current Liabilities**

Particulars		As on 31.03.2025		As on 31.03.2024	
Trade Deposits		316.80		334.84	
Total		<u>316.80</u>		<u>334.84</u>	

**Note 19: Provisions (Non-current)**

Particulars		As on 31.03.2025		As on 31.03.2024	
Provision for gratuity		413.13		476.33	
Provision for leave encashment		111.48		103.65	
Total		<u>524.61</u>		<u>579.98</u>	

**Note No 20:- Deferred Tax Liabilities / (Asset)**

Particulars		As on 31.03.2025		As on 31.03.2024	
<u>Deferred Tax Liability</u>					
Fixed Assets		3,657.88		3,248.36	
<u>Deferred Tax Asset</u>					
Employee Benefit		190.60		194.89	
Long Term Capital Loss		2.64		2.64	
Carry Forward Loss		804.00		714.28	
Total		<u>2,660.64</u>		<u>2,336.55</u>	

**Note 21: Current Borrowings**

Particulars		As on 31.03.2025		As on 31.03.2024	
Short Term Bank Borrowing		6,271.14		6,144.49	
Current maturity of long term loans		702.64		1,168.37	
Total		<u>6,973.78</u>		<u>7,312.86</u>	

Note 22 : Trade payables

Particulars		As on 31.03.2025		As on 31.03.2024	
Outstanding dues of micro and small enterprises		14.05		-	
Others		2,297.91		2,849.75	
Total		2,311.95		2,849.75	

Trade Payables ageing Schedule as on 31st March 2025

Particulars	Outstanding for following periods from the due date of payment				
	Less Than 1 year	1-2 Years	2-3 years	More than 3 years	TOTAL
(i) MSME	14.05	0.58	-	-	14.63
(ii) Others	2,121.05	66.95	17.43	37.50	2,242.93
(iii) Disputed dues- MSME			-	-	-
(iv) Disputed dues-Others			-	54.39	54.39
TOTAL	2,135.09	67.53	17.43	91.89	2,311.95

Trade Payables ageing Schedule as on 31st March 2024

Particulars	Outstanding for following periods from the due date of payment				
	Less Than 1 year	1-2 Years	2-3 years	More than 3 years	TOTAL
(i) MSME	-	-	-	-	-
(ii) Others	2,647.40	47.11	54.42	46.43	2,795.36
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	54.39	54.39
TOTAL	2,647.40	47.11	54.42	100.82	2,849.75

Note 23 : Other current liabilities

Particulars		As on 31.03.2025		As on 31.03.2024	
Advance from customers		330.58		95.20	
Trade deposits		29.40		36.40	
Other advance		10.38		14.84	
Statutory Liabilities		315.24		203.73	
Other Liabilities		163.84		168.54	
Total		849.44		518.71	



Note 24 : Provisions (Current)

Particulars		As on 31.03.2025		As on 31.03.2024	
Provision for expenses		274.14		233.46	
Provision for gratuity		178.28		90.78	
Provision for leave encashment		19.19		21.53	
Provision for bonus		60.29		57.32	
Total		<u>531.90</u>		<u>403.09</u>	

Note 25 : Revenue from operations

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Manufacturing</b>		
Papers	27,396.10	25,805.15
Chemicals	13,795.30	5,478.51
Other revenues	1,148.73	805.84
<b>Trading</b>		
Waste papers	107.11	-
Chemicals	-	5.53
<b>Total</b>	<b>42,447.24</b>	<b>32,095.03</b>

Note 26 : Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Interest income</b>		
- from banks	13.05	23.06
- from others	130.72	140.91
- from Income Tax Refund	1.48	2.10
- on Service Tax Deposit	-	5.26
Dividend income	10.64	10.67
Insurance claim	12.64	5.91
Other miscellaneous income	516.29	179.56
Exchange Rate Gain/(Loss)	40.88	54.65
Profit on sale of Asset	81.64	4.98
<b>Total</b>	<b>807.34</b>	<b>427.10</b>

Note 27 : Cost of material consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Raw materials</b>		
Opening stock	2,187.01	2,455.15
Add : Purchases	27,640.29	19,443.99
Less : Closing stock	(1,875.39)	(2,187.01)
<b>Total</b>	<b>27,951.91</b>	<b>19,712.13</b>

**Note 28 : Purchase (Trading)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Waste paper	96.65	-
Chemicals	-	4.92
<b>Total</b>	<b>96.65</b>	<b>4.92</b>

**Note 29 : Changes in inventories:-**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of finished goods & work-in progress	1,799.39	1,669.07
	(1,450.05)	(1,799.39)
Closing stock of finished goods & work-in progress		
<b>Total</b>	<b>349.34</b>	<b>(130.32)</b>

**Note 30 : Employee benefits expenses**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries & wages	1,908.02	1,915.27
Contribution to provident fund and other funds	107.71	109.61
Staff welfare expenses	141.19	171.68
<b>Total</b>	<b>2,156.92</b>	<b>2,196.56</b>

**Note 31 : Finance costs**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Working Capital	896.67	803.98
Interest on term loans	297.06	87.20
Interest on trade deposits	12.16	11.63
Interest on others	8.48	15.29
<b>Total</b>	<b>1,214.37</b>	<b>918.10</b>

Note 32 : Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Stores ,Spares & Packing Material Consumption	1,937.19	1,174.99
Power & fuel	3,541.80	4,766.32
Water charges	221.85	272.19
Repair to others	6.88	7.38
Repairs to building	4.18	4.95
Repairs to plant & machinery	268.40	178.68
Other Manufacturing Expenses	291.50	189.16
Hire charges - fork lift	32.48	31.83
Insurance charges	49.87	32.84
Transportation & materials handling	211.68	217.24
Technical consultation charges	40.44	0.92
Discount on sales	1,131.88	1,039.91
Freight outward charges	639.35	452.30
Bank charges	31.41	34.93
Auditor's fees	3.50	3.50
Auditor's Reimbursement	0.44	0.18
Tax audit fees	4.50	4.50
For Income tax Matters	2.96	0.25
For Certification	0.30	
Internal audit fees	3.00	3.00
Cost Audit fees	2.00	-
GST Audit fees	0.50	0.50
Corporate social responsibility expenses	-	-
Donation	-	0.11
Legal & professional fees	414.46	287.06
License, inspection and testing charges	6.60	5.55
Listing fees	3.25	3.25
Membership fees & subscription	17.69	3.65
Depository service charges	3.02	2.92
Business Development / Business promotion expenses	10.37	6.45
Computer expenses	7.47	3.77
Conveyance	21.14	19.77
Corporate office expenses	12.01	10.57
Garden expenses	8.24	6.65
GST Expenses	3.96	11.81
Loss on sale of Assets	0.90	5.07
Motor car expenses	33.49	34.14
Stamp Duty Expense	0.25	11.42

Other expenses	61.94	35.98
Postage & telegram	4.23	4.72
Printing & stationery	12.81	9.93
Prior Year Expenses	0.44	-
Rent, rates & taxes	33.40	55.22
Security services	33.25	28.33
Sundry balances written off	65.04	24.60
Telephone Expenses	4.92	7.22
Travelling expenses	47.34	53.25
Total	9,232.33	9,047.00

**Note No.:33****Financial Instruments and Risk Review:****i) Capital Management: -**

The Company's capital management objectives are to maintain a strong capital base so as to maintain investors, creditors and market confidence and to future development of the business. The Board of Directors monitor return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

Particulars	(Rs. In Lakhs)	
	As on 31.03.2025	As on 31.03.2024
Net Debts* (A)	12,411.60	13,598.78
Equity ** (B)	25,353.89	24,525.47
Debt Equity Ratio (A/B)	0.49	0.55

\* Net Debts includes Non-Current borrowings, Deferred Sales Tax Liability and Current borrowings.

\*\* Equity Includes share capital and other equity.

**ii) Credit Risk:-**

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted after necessary approvals for credit.

Financial instruments that are subject to credit risk principally consists of trade receivable, investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk.

**Exposure to credit risk:-**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables and loans and advances: -

(Rs. In Lakhs)

Particulars	As on 31.03.2025	As on 31.03.2024
Trade Receivables	7,051.71	4,982.38
Loans and Advances	60.09	357.09
<b>TOTAL</b>	<b>7,111.80</b>	<b>5,339.47</b>

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or group of financial assets is impaired. 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 12 months 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

Before accented any new customer, the Company uses an external/internal credit scoring system to assess potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed periodic basis

### iii) Liquidity Risk

#### a. Liquidity Risk Management:-

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### b. Maturities of financial liabilities

The following table details the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the table has been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company is required to pay. The table includes principal cash outflows.

(Rs. In Lakhs)

Particulars	F.Y. 2024-25		F.Y. 2023-24	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
Term Loan	702.64	2,427.00	1,168.37	3,275.10
Deferred Sales Tax Liabilities	-	3,010.82	-	3,010.82

#### c. Maturities of financial assets:-

The following table details the Company's expected maturity for financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on such assets.

(Rs. in Lakhs)

Particulars	F.Y. 2024-25		F.Y. 2023-24	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
<b>Non-current Financial Assets:-</b>				
Security Deposits	-	421.73	151.02	421.07
Fixed Deposit with Bank	-	125.28	-	110.18
Loans and Advances	-	615.27	322.38	362.51

**d. Market Risk:-**

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.

**Note No.: 34****Employee Benefits:****Provident Fund:**

During the year, the Company has recognized the following amounts in the Profit & Loss Account.

(Rs. in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Employers Contribution to Provident Fund	94.02	95.01
Employers Contribution to ESIC	13.45	14.42
Employers Contribution to Labour Welfare Fund	0.24	0.17

**Gratuity :**

- a. In accordance with Ind AS 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Actuarial Assumptions	31.03.2025			31.03.2024		
	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper
Discount Rate	6.89%	6.82%	7.19%	7.10%	7.09%	7.19%
Salary Escalation Rate	5.00%	5.00%	7.00%	5.00%	5.00%	7.00%
Expected rate of return Plans assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected average remaining service of employee in the number of years	19	15	7	17	14	7

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2025.



**b. Change in Present Value of Defined Benefit Obligation (Gratuity) :-**

(Rs. in Lakhs)

<b>Change in present value of Obligation</b>	<b>As on 31.03.2025</b>	<b>As on 31.03.2024</b>
Present Value of Obligation as at the beginning of the year	567.11	532.75
Interest Cost	39.82	38.58
Current Service Cost	28.45	27.67
Benefit Paid	-40.85	-47.99
Actuarial (gain) /loss on obligation	-3.12	16.10
Present value of Obligation as at the end of the year	591.41	567.11

**c. Change in Fair value of plan assets**

<b>Change in Fair value of Plans Assets</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
Fair Value of plan Assets as at the beginning of the year	NIL	NIL
Actual Return on plan Assets	N.A.	N.A.
Contributions	N.A.	N.A.
Benefit Paid	N.A.	N.A.
Actuarial gain/(loss) on plan Assets	N.A.	N.A.
Fair Value of Plan Assets as at the end of the year	NIL	NIL

**d. Reconciliation of the present value of defined benefit obligations and the fair value of plan assets**

(Rs. in Lakhs)

<b>Reconciliation of present value of defined benefit obligation and the fair value of assets</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
Present value of funded obligations as at the end of the year	-	-
Fair value of plan assets as at the end of the year	-	-
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	591.41	567.11
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year	<b>591.41</b>	<b>567.11</b>

**e. Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2025:-**

(Rs. in Lakhs)		
Particulars	31.03.2025	31.03.2024
Current Service Cost	28.45	27.67
Interest Cost	39.82	38.58
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-3.12	16.10
Past Service cost	-	-
Net Gratuity (income) / expense	65.15	82.35

**f. Detail of Present value of obligation, Plan Assets and Experience Adjustments:-**

(Rs. in Lakhs)		
Particulars	31.03.2025	31.03.2024
Present value of obligation	591.41	567.11
Fair value of plan assets	-	-
(Surplus) / Deficit	591.41	567.11
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

**Leave Encashment :**

The liability for leave encashment and compensated absences as at year end is as under:-

(Rs.in Lakhs)		
Particulars	31.03.2025	31.03.2024
Liability for leave encashment and compensated absence	130.67	125.17

**Note No.: 35**

**Secured Loans**

**a. Working Capital and Term Loan:-**

Loans Repayable on demand or on due date and GECL availed from the State Bank of India is primarily secured by Hypothecation of present and future stock of raw materials, Stock in process, finished goods, Stores & spare parts and Book debts.

Term loans availed from the State Bank of India for Co-generation power plant, Sulphuric Expansion projects and New Online Coating Plant are primarily secured by the respective plants.

All the above facilities are additionally secured by the registered mortgage on existing leasehold land admeasuring 23,409 sq mtr with building and structure thereon, including all machineries at industrial Plot No 293, 296 in industrial area bearing survey no. 55/P, 57/P, 67P, 68P and 139P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad –

396195 and existing leasehold land and building bearing Survey No 621/P, 58/P, 56/P, 136/P, 137/P situated at Industrial Plot No 294, 295 and 296/P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad – 396195 admeasuring 39,020 sq mtrs,

Loans are also guaranteed by personal guarantee of Shri Akash Kagliwal, Smt Jeevanalata Kagliwal and Shri Nandkishor Kagliwal and corporate guarantee of M/s Akash Farms LLP.

- b. Working capital term loan availed from Aditya Birla Finance Limited is secured by registered mortgage on land at
- Gut No 50/2, 50/3 and 50/6 at Wahegaon and Gut No 54/1, 54/2, 54/3 and 54/5 50/5, 50/6 and 54/1 at Issarwadi, both lands at Tal. Paitha, Dist Aurangabad owned by the company admeasuring 30.59 acres
  - Gut No 321, 322, 323, 324 and 37/8 at Wahegaon Tal Paithan, Dist. Aurangabad admeasuring 31.89 acres and
  - Utsah Bungalow, Ground Floor at Plot No 3, CTS no. 20186 bearing Municipal no 5-14-67, Adalat Road, Aurangabad owned by Mrs Jeevanlata Kagliwal admeasuring 1598 sq ft. and
  - Utsah Bungalow, First Floor at Plot No 3, CTS no. 20186 bearing Municipal no 5-14-67, Adalat Road, Aurangabad owned by Mr Akash Kagliwal admeasuring 1598 sq ft. and portion admeasuring 305 sq ft on second floor.
- c. Vehicle loans availed are secured against the hypothecation of respective vehicles.
- d. Maturity profile of term loans is as under:-

(Rs.in Lakhs)

F.Y.2024-25		F.Y.2023-24	
Upto 1 Year	1 to 3 years	Upto 1 Year	1 to 3 years
702.64	2,427.00	1168.36	3,275.10

**Note No.:36**

**CIF Value of Imported & Indigenous Material and Components**

Value of Imported and Indigenous Material and Components consumed as on 31<sup>st</sup> March 2025 is as under: (on CIF Basis)

(Rs. In Lakhs)

Account Head	F.Y. 2024-25		F.Y. 2023-24	
(a) Raw Material	Rs. in Lakhs	%	Rs. in Lakhs	%
Imported	9,856.75	35.26	8868.38	44.99
Indigenous	18,095.16	64.74	10,843.75	55.01
<b>Total</b>	<b>27,951.91</b>	<b>100.00</b>	<b>19,712.13</b>	<b>100.00</b>
(b) Stores and Spare Part				
Imported	13.56	0.70	19.36	1.65
Indigenous	1,923.63	99.30	1,155.63	98.35
<b>Total</b>	<b>1,937.19</b>	<b>100.00</b>	<b>1,174.99</b>	<b>100.00</b>

**Note No.: 37****Deferred Tax Asset/(Liability):**

Company's Deferred Tax Asset/(Liability) position is as under:

(Rs. in Lakhs)

	As on 31.03.2025	As on 31.03.2024
<b>Assets</b>		
(a) Deferred tax assets arising on account of timing differences:-		
(i) Unabsorbed capital loss		2.64
(ii) Employee Benefits	190.60	194.89
(iii) Unabsorbed Business Loss	804.00	714.28
<b>Liability</b>		
(b) Deferred Tax Liabilities arising on account of timing differences in WDV	3,657.88	3,248.36
<b>Net Deferred Tax Asset</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>(2,660.64)</b>	<b>(2,336.55)</b>

**Note No.:38****Related Party Transactions-****a. Details of Related Parties****i. Key Management Personnel :-**

Shri Akash Kagliwal ,Managing Director  
Shri Abhay Kumar Jain, Director  
Ms Nupur Lodwal ,Director and Company Secretary  
Shri Vijay Saboo ,Chief Financial Officer

**ii. Non-Executive/Independent Directors on the Board**

Shri Hitesh Purohit, Independent Director  
Shri Kashinath G. Iyer, Independent Director  
Shri Madhukar Deshpande, Independent Director

**iii. Relatives of Key Management Personnel**

Mr Nandkishor Kagliwal  
Mrs. Jeevanlata Kagliwal  
Mrs. Rajni Jain, Manager  
Mrs. Sweta Kagliwal

**b. Transaction during the Year**

(Rs. in Lakhs)

Sr. No.	Particulars	Year Ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> march 2024
1)	Remuneration paid to Key Managerial Personnel and Relatives	187.53	172.39

Note: The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

**c. Other Related Parties:-**

- i. N Kagliwal Education & Research Foundation.
- ii. Paithan Mega Food Park Private Limited
- iii. Tapovan Trading Company Private Limited.

**d.** Transactions carried out with related parties are in the ordinary course of business and the transactions are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured. Transaction details are as under:

(Rs. in Lakhs)

Sr No	Name	Nature of Transaction	F.Y. 2024-25	F.Y. 2023-24
i.	Mrs. Sweta Kagliwal	Consultancy Fees paid in her professional capacity	18.00	18.00
ii.	Mrs Jeevanlata Kagliwal	Consultancy Fees paid in her professional capacity	18.00	18.00
iii.	N Kagliwal Education & Research Foundation.	Advance CSR Contribution given	- 23.38	- -
iv	Paithan Mega Food Park Private Limited	Short term loan given / (received back)	(322.38)	322.38

**e. Outstanding Balances at the year-end:-**

(Rs. in Lakhs)

Sr No	Name	As on 31.03.2025	As on 31.03.2024
I	N Kagliwal Education & Research Foundation.	60.09 (Dr)	34.71 (Dr)
ii	Paithan Mega Food Park Private Limited	-	322.38 (Dr)

**Note No.:39**

**Contingent Liabilities not provided for :**

(Rs. in Lakhs)

Particulars	As on 31.03.2025	As on 31.03.2024
i) Bank Guarantee given to the DGVCL	150.00	150.00
ii) Bank Guarantee given to MSSEDCL	151.03	-
iii) Bank Guarantee given to Maharashtra Pollution Control Board	5.00	-
iv) Bank Guarantee given to Western Coal Fields Limited	16.36	-
v) Compensation awarded by the court not claimed / Suits filed	1.25	1.25
vi) Appeal pending with Tribunal against Excise Demand of Rs. 9.92 lakhs for reversal of Modvat which is not provided in books, Company has paid Rs. 1.08 lakhs.	8.84	8.84

vii)	Corporate Guarantee and collateral security of land admeasuring to 4.47 acres given to Malkapur Urban Co- Op Bank Limited for working capital limit availed by Tapovan International Trading Pvt Ltd.	-	600.00
viii)	One of the vendors has made a claim against the Company for Rs. 90.39 lakhs against the Company's counter claim on the vendor of Rs. 281.17 lakhs. The Company is in arbitration with the said the vendors. The management is of the opinion that no additional liability would arise.	-	-
ix)	Disputed demands of Water Cess (MPCB)	15.98	15.98
x)	Disputed demand of Property Tax from Wahegaon Gram Panchayat	27.13	27.13
xi)	Deferred sales tax Liability transferred to another Company (with recourse) in earlier year	1,586.36	1,586.36
xii)	Capital Commitments :- Estimated amount of contracts remaining to be executed and not provided for tangible assets	-	-
xiii)	Income Tax Liability:- Department has preferred appeal before Bombay High Court against the order of ITAT which are in favour of the company for A.Y. 2007-08 and A.Y. 2009-10. No provision is made for Rs. 58.61 Lakhs and Rs. 47.33 lakhs for the A.Y. 2007-07 and A.Y. 2009-10 respectively in case the Bombay High Court decides the matter against the Company.	-	105.94

**Note No.:40**

**Foreign Exchange Transactions**

(Rs. in Lakhs)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Earnings in Foreign Exchange:-	4,580.03	4,127.37
Receipt against Export of Goods	4,153.00	4,669.54
<b><u>Expenditure in Foreign Currency:-</u></b>		
Purchase of Imported Raw Materials	8,810.88	7,859.21
Purchase of Imported Stores	13.56	19.36
Purchase of fixed asset	17.84	-

All exchange gains and losses arising out of translation/restatement, are accounted for in the statement of profit and loss

Particulars	F.Y. 2024-25	F.Y. 2023-24
Foreign Exchange Gain / (Loss)	40.88	54.64

**Note No.:41**

**Segment Reporting :**

**i) Primary Segment:-**

The company is engaged in manufacturing of Paper & chemicals. Management has identified reportable primary Segment & Geographic secondary Segment in accordance with Accounting Standard 108 issued by the Institute of Chartered Accountants of India. Revenue & Expenses directly attributable to segments are reported under each reportable segment. Expenses which

are not directly identifiable to a specific segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segment have been disclosed as un allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un allocable.

(Rs. in Lakhs)

Particulars	Paper	Chemical	Total
Revenue	28,620.70	13,826.54	42,447.24
Other Income	280.08	527.26	807.34
<b>Total Revenue</b>	<b>28,900.78</b>	<b>14,353.80</b>	<b>43,254.58</b>
Expenses	27,440.33	12,346.84	39,787.17
Depreciation	492.12	462.72	954.84
<b>Operating Income</b>	<b>968.33</b>	<b>1,544.24</b>	<b>2512.57</b>
<b>Un-allocable Expenses/(Income)</b>			
Finance Cost			1214.37
<b>Un-allocable Tax</b>			
Income Tax incl earlier year adjustments			227.76
Deferred Tax Expenses/(Income)			324.09
Mat Credit entitlement			(227.37)
Total Un-allocable Expenses			324.49
Profit after tax			973.72
<b>Other Information</b>			
<b>Assets</b>			
Non Current Assets	18,641.28	12,492.38	31,133.66
Current Assets	11,209.38	2,792.79	14,002.17
<b>TOTAL ASSETS</b>	<b>29,850.66</b>	<b>15,285.17</b>	<b>45,135.83</b>
<b>Equity and Liabilities</b>			<b>25,353.89</b>
Non-current Liability	5,760.78	3,179.09	8,939.87
Current Liability	7,595.30	3,246.77	10,842.07
<b>TOTAL LIABILITIES</b>	<b>13,356.08</b>	<b>6,425.86</b>	<b>19,781.94</b>

## ii) Secondary Segment:-

Geographical Revenue is allocated based on the location of the customer.

The company produces and sales, its products in India & also Export the same directly or indirectly to overseas countries. The overseas sales operations are managed by its office located in India. For

the purpose of AS 108 regarding segment reporting secondary segment information on geographical segment is considered on the basis of revenue generated from Domestic & Export market.

(Rs. in Lakhs)

	F.Y. 2024-2025			F.Y. 2023-2024		
Particulars	Domestic	Export	Total	Domestic	Export	Total
Revenue	37,867.21	4,580.03	42,447.24	27,967.66	4,127.37	32,095.03
Carrying Amount of Trade Receivable	6,452.82	598.89	7,051.71	4,810.53	171.86	4,982.38
Carrying amount of Current Assets other than Trade Receivable	6,950.46	-	6,950.46	8,485.54	-	8,485.54

**NOTE No.:42**

**Deferred Sales Tax Liability**

Nath Industries Limited –Unit Nath Paper was the beneficiary of Package Scheme of Incentive (PSI-1988) of Government of Maharashtra upto 2008-09. As per the scheme and Government Resolution no IDL/1093/(8889)/IND-8 dated 07<sup>th</sup> May 1993, unit Nath Paper being located in Marathwada was eligible to pay the deferred sales tax after 18 years in seven equal annual installments. Accordingly, the liability of deferred sales tax will be paid from 18<sup>th</sup> years in seven equal installments. The repayment of same will begin from the F.Y. 2029-30.

The Department of Industries, Government of Maharashtra has further sanctioned vide their letter dated 07.12.2015 the Eligibility for the unutilized CQB of Rs. 1951.75 lakhs under PSI-1988, for a period of 5 years i.e. from 1st November, 2015 to 31st October, 2020

Deferred Sales tax Liability of MVAT/ SGST has been valued at Book value, which would have been Rs 1,090.51 lakhs if valued at Fair Value as required under the IND AS -113 Fair Value Measurement. Company has recognized the same at its Book value considering the fact that the company is liable to pay the entire dues to the Government of Maharashtra as per the schedule of repayment.

**Note No.:43**

**Earning Per Share:**

The net profit for the purpose of measurement of basic and diluted earnings per share in terms of Ind Accounting Standard - 33 on Earnings per Share issued by the Institute of Chartered Accountants of India has been calculated as under:

Particulars	Current Year	Previous Year
Profit Before tax (Rs.in Lacs)	1,298.21	76.60
Tax Provision (Net of MAT Credit, including deferred tax and earlier year tax adjustment) (Rs. in Lacs)	(324.49)	(27.18)
<b>Profit after tax</b>	<b>973.72</b>	<b>49.42</b>
Weighted Average Number of Equity Shares	1,90,00,000	1,90,00,000
Basic & Diluted Earning per Share (EPS)	5.12	0.26
Face Value per share Rs.	10.00	10.00



**Note No.:44****Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Act, 2006:**

Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprise Development Act 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company.

**(Rs. in Lakhs)**

		As on 31.03.2025
i	Principal Outstanding	12.30
ii	Interest on principal amount due thereon	NIL. No interest provision is made.
iii	Interest and Principal amount paid beyond appointed day	NIL
iv	The amount of interest due and payable for a period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act.	NIL
v	The amount of interest accrued and remaining unpaid at the end of the year	NIL. No provision is made for interest payable.
vi	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSME development Act.	NIL

**Note No.:45****Corporate Social Responsibility (CSR) in terms of section 135 of Companies Act:****(Rs.in Lakhs)**

<b>Corporate Social Responsibility Expenditure</b>	<b>F.Y.2024-25</b>	<b>F.Y.2023-24</b>
(a) Gross amount required to be spent by the Company for the year @ 2% of average profit of last 3 years	-	-
(b) Expenditure towards Corporate Social Responsibility Activities incurred	-	-
(c) Shortfall at the end of the year	-	-
(d) Total of Previous years shortfall	-	-
(e) Reasons for shortfall	N.A.	N.A.
(f) Nature of CSR Activity	Education	Education
(g) Details of Related Party Transactions (Advance for CSR)	-	-

**Note No: 46****Additional Regulatory Information: -****a. Title Deeds of Immovable Properties not held in the name of the Company:-**

Particulars	Description of Property	Gross Carrying Value (Rs in lakhs)	Title Deeds held in the name of	Whether Title Deed holder is a promoter, director or relative of promoter/Director or employee of promoter/director	Property Held Since date	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold Land at Gut no 50/3 and 37/8 at Wahegaon, Gut no 26/1 at Pimpalwadi, Gut no 124 at Muddalwadi. All land parcels situated at Tal Paithan, Dist Aurangabad	837.23	Nath Pulp and Paper Mills Limited	No	Merger order dated 22.08.19	Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited were amalgamated with Nath Industries
	Leasehold land at Plot No 294,295 and 296, IInd Phase, GIDC, Vapi, Gujarat – 396 195	4682.40	Nath Industrial Chemicals Limited	No	Merger order dated 22.08.19	Limited vide NCLT order dated 22.08.2019. Process for transfer of title of Freehold Land and Lease hold Land in the name of Transferee Company from the transferor Companies is under process.
	14 Flats at Gautam Apartment, Gunjan	105.00	Raveshia Associates	No	Since 1992	<b><u>Process of transfer is</u></b>

	Area, Near Gautam General Stores, GIDC, Vapi, Gujarat – 396 195					<u>under process.</u>
	2 quarters at RCF/10/119, Road H-II -2, Chanod, GIDC, Vapi, Gujarat- 396 191	15.40	Rama Pulp and Papers Limited	No	Since 1992	<u>Process of transfer is under process.</u>

**b. Particulars of Loans or advance in the nature of Loans granted to Promoters, directors, KMP and related parties:-**

(Rs.in Lakhs)

Relation	Name of the Party	Amount of Loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of Loans
Related Party	N Kagliwal Education and Research Foundation	60.09	100.00%

c. The Company is enjoying working capital facility of Rs. 6,550.00 lakhs from the State Bank of India. Quarterly and half yearly statements submitted to the bank are in agreement with the books of accounts.

d. Charges pending for satisfaction with the Registrar of Companies (ROC):-

(Rs. in lakhs)

Sr No	Name of the Institution	Date	Charge Id	Amount	Reason
1	State Bank of Hyderabad	16/10/1996	90218043	554.00	All these pending charges of the transferor company Nath Pulp and Paper Mills Limited which got merged with Nath Industries Limited. All the dues are already paid off and the company is in the process of completing the formalities for satisfaction of charges.
2	HDFC Bank	25/03/1994	90218974	55.00	
3	The ICICI Ltd	30/11/1990	90216159	1800.00	
4	Industrial Development Bank of India	08/11/1989	90217359	350.00	
5	Industrial Credit and Investment Corporation of India Limited	08/11/1989	80046543	175.00	
6	Industrial Development Bank of India	18/03/1989	90217303	326.00	
7	H.D.F.C.	27/02/1987	90218825	26.00	
8	The ICICI Ltd	08/06/1980	90216700	16.00	
9	The ICICI Ltd	05/04/1978	90216641	35.00	
10	IDBI Bank	18/02/1978	90219906	76.75	
11	Central Bank of India	20/09/1976	90219901	19.13	
12	Industrial Finance	08/11/1989	80046544	175.00	

	Corporation of India				
13	IFCI	11/02/1981	90216734	16.00	
14	IFCI	14/04/1980	90216696	12.00	

**e. Ratios:-**

Sr No	Ratio	Numerator	Denominator	Current Year	Previous Year	Change	Reason
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.29	1.22	6.28%	
2	Debt-Equity Ratio	Debt Consist of Borrowing from Financial Institutions, Deferred Sales Tax Liability and Unsecured Loans	Total Equity	0.49	0.55	-11.73%	Debt equity ratio has improved because of repayment of term loan and improved profitability.
3	Debt Service Coverage Ratio	Net Profit After Tax +Non Cash Operating Expense +Finance Cost+ Other Non-cash adjustment	Finance Cost + Principal Payment	2.38	1.79	32.99%	Debt service coverage ratio has improved because of improved profitability.
4	Return on Equity	Net Profit after Tax	Average Total Equity	51.25	2.60	1,870%	*Refer note below
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	10.03	6.87	46.00%	Improved sales resulted in better inventory turnover ratio.
6	Trade Receivable Ratio	Revenue from Operations	Average Trade Receivable	7.06	6.11	15.41%	Improved sales and debtors recovery resulted in better inventory turnover ratio.
7	Trade Payable Turnover Ratio	Purchases + Trading Purchases + Other Expense	Average Trade Payable	14.13	10.12	40.31%	Faster payments to creditors resulted in better turnover ratio.
8	Net Capital	Revenue	Average	15.31	10.27	49.10%	Change in ratio

	Turnover Ratio	from Operations	Working Capital Ratio				because of improved net current assets and higher turnover.
9	Net Profit Ratio	Net Profit for the year	Revenue from Operations	2.29%	0.15%	1389.87%	*Refer note below
10	Return on Capital Employed	Profit before Tax and Interest	Net worth + Total Debts	6.65%	2.61%	155.00%	*Refer note below

**\*The results of expansion and cost reductions project undertaken in last 3 years have reflected in the performance of the company. The company has recorded net profit after tax of Rs 973.72 lakhs as against the profit after tax Rs 49.42 lakhs recorded in previous financial year.**

**Note No.:47**

**Previous year Figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In term of our report attached

**For N. R. Agrawal & Co**

**Chartered Accountants**

Firm Reg. No. 100143W

**For and on behalf of the Board**

N. R. Agrawal

Partner

M.No.: 030117

**UDIN:- 25030117BMULBW5932**

Place : Mumbai

Date: 30<sup>th</sup> May 2025

Akash Kagliwal

Managing Director

Abhaykumar Jain

Director