

# SEEKING OPPORTUNITY IN ADVERSITY

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### Forward-looking statement

This document contains statements about expected future events and financial and operating results of N R Agarwal Industries Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the N R Agarwal Industries Limited Annual Report 2024-25.

# SEEKING OPPORTUNITY IN ADVERSITY

The global paperboard sector is passing through an extended downtrend.

During this challenging phase, our Company commissioned its largest paperboard manufacturing unit in March 2024.

The Company reported a profit in FY 2024-25 inspite of declining realizations and rising input costs; its EBITDA margin was in line with the other players in the industry.

The Company is exploring the possibility of investing in a second large paperboard manufacturing unit.

This is expected to deepen the Company's competitive advantage and translate into higher revenues and surplus when the paperboard sector recovers.

This validates the Company's commitment to seek opportunities in adversity and enhance stakeholder value across market cycles.

## N R Agarwal Industries Limited

The Company is a responsive player in India's paper sector.

The Company increased its focus on the paperboard segment over the conventional writing & printing paper segment.

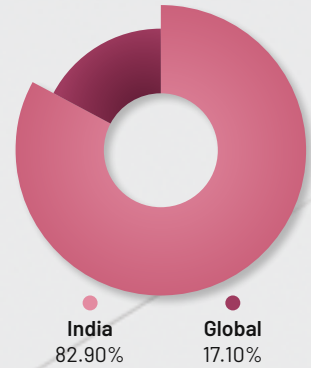
The Company commissioned India's largest single-location paperboard facility in 2024.

The Company invested in advanced manufacturing technologies, optimizing efficiency.

The Company evolved from a regional to a national paperboard presence.

The result: N R Agarwal is among India's largest paper companies and among the largest recycled paper & paper board mills in the country.

Revenues by geography, FY 2024-25



Revenues by product segments (as a % of overall revenues, FY 2024-25)



## Our vision

To be globally recognized as a leading manufacturer of innovative paper products for our valued customers.

Honouring our core values.

Generating sustainable returns for our stakeholders.

## Our mission

N R Agarwal Industries Limited is committed to delivering the highest stakeholder satisfaction through innovation, cost-effectiveness and an excellent work culture.

## Our background

N R Agarwal Industries Limited was incorporated in 1993. The Company specializes in the manufacture of multi-layer paper boards as well as writing and printing paper. With more than 30 years of experience, the Company has emerged as one of India's leading producers of recycled paper. The Company is the largest manufacturer of grey and white back duplex boards and a leading name in India's wastepaper-based paper production. The Company is among leading Indian paper companies by size. As of March 31, 2025, the promoters held 73.96% of the Company's issued, subscribed and paid-up capital.

## Our footprint

The Company's corporate office is in Mumbai, while its production operations are located in Vapi and Sarigam, Gujarat.

## Our Listing

The Company is listed on Bombay Stock Exchange and National Stock Exchange.

## Our credit rating

The Company maintained its rating of A Stable for fund-based limits and term loans by ICRA, as of March 31, 2025.

## Our products portfolio

### Coated Duplex Board, FBB, and SBS

The Company specializes in the production of quality coated duplex boards, FBB (Folding Box Board) and SBS (Solid Bleached Sulphate) designed for offset printing, foil stamping and embossing. These boards are ideal for post-print applications and have been certified by India's Central Food Technological Research Institute (CFTRI).

### Writing, Printing and Copier Paper

The Company manufactures writing, printing, and copier paper renowned for exceptional brightness, smoothness and dimensional stability across a range of GSM specifications. With high tensile strength and superior surface characteristics, these papers are perfectly suited for high-speed, multi-colour printing jobs.

## Our confidence-enhancing features



### Environmental integrity

The Company moderated the use of finite resources by enhancing operational efficiency, resulting in lower water consumption and reduced electricity use per ton of paper produced. It strengthened its water recycling by implementing a reverse osmosis system.



### Infrastructure

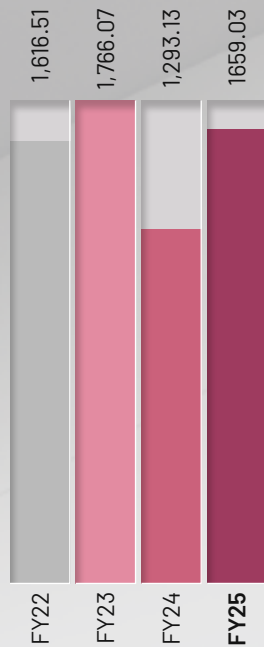
The Company operates a 100-acre industrial facility in Sarigam. Adequate space is available to accommodate increased manufacturing capacity.



### Proximity

The Company's production facility is located 165 km from Mumbai Port, 18 km from Tumb Port, and 150 km from Hazira Port. This strategic location helps optimize logistics costs for wastepaper imports while facilitating exports to over 33 countries.

# How we have grown over the years



## Revenues (₹ in cr)

### Meaning

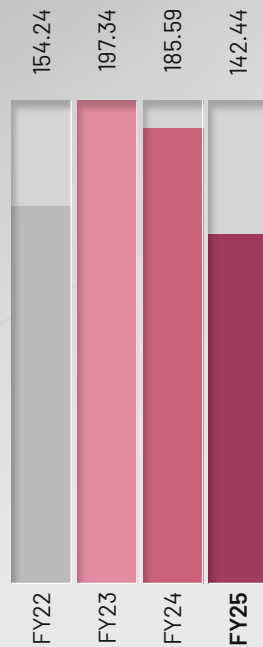
Revenue is the total income generated from the sale of goods related to the Company's operations.

### Importance

Revenue is the total value of goods and services sold by the Company during a financial year, an index of the Company's viability and customer focus.

### Performance

The Company reported ₹1659.03 cr revenue in FY 2024-25, which was 28.27% higher than the previous year.



## EBITDA (₹ in cr)

### Meaning

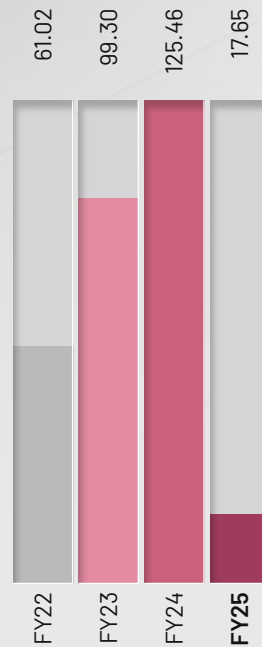
EBITDA is an acronym that refers to the earnings of a Company before interest, tax, depreciation and amortization are deducted or provided for.

### Importance

Investors use EBITDA to assess a Company's profitability and efficiency and compare it with similar businesses.

### Performance

The Company reported ₹142.44 cr EBITDA in FY 2024-25, 23.25% lower than the previous year.



## Profit after tax (₹ in cr)

### Meaning

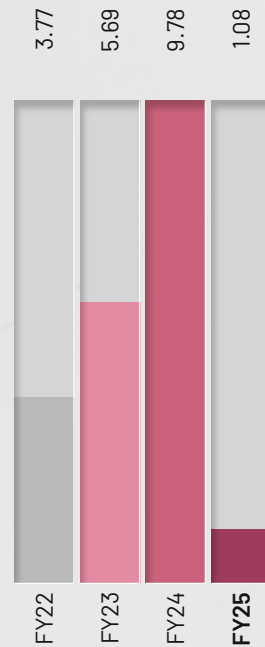
The amount left after a Company has paid all its operating and non-operating expenditures, other liabilities and taxes is known as profit after tax. This profit is either given to the entity's shareholders as dividend or held in reserve as retained profit.

### Importance

Profit after tax represents the actual profit a Company earns in a financial year. It reflects the cost structure, business model and overall competitiveness.

### Performance

The Company reported a ₹17.65 cr PAT in FY 2024-25, which was 85.93% lower than the previous year.



## Net profit margin (%)

### Meaning

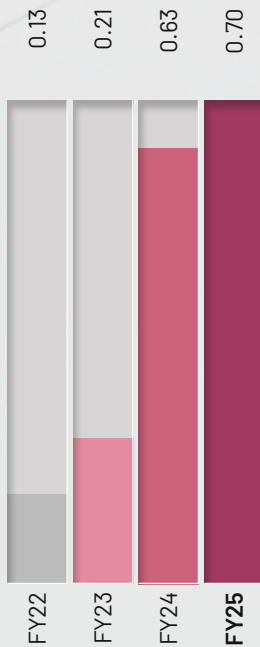
Net profit margin (also known as 'profit margin' or 'net profit margin ratio') is a financial measure to calculate the percentage of profit a Company produces from its total revenue.

### Importance

It represents the net profit a Company earns for each rupee of revenue, expressed as a percentage.

### Performance

The Company reported 1.08% net profit margin in FY 2024-25, which was 870 bps lower than the previous year.



### Debt-to-equity ratio (x)

#### Meaning

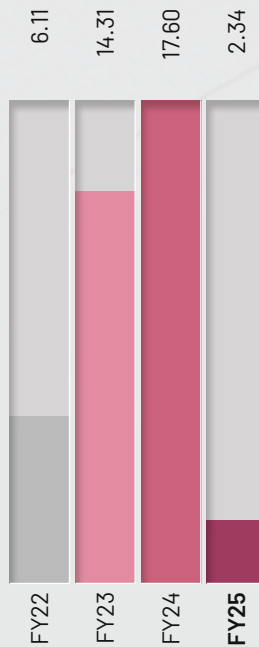
The debt-to-equity ratio (also called the 'debt-equity ratio', 'risk ratio', or 'gearing') is a leverage ratio that calculates the weight of total debt and financial liabilities against shareholders' equity.

#### Importance

This ratio indicates whether a Company's capital structure leans more towards debt or equity financing.

#### Performance

The Company reported a 0.70 debt-to-equity ratio at the close of FY 2024-25 remaining attractively under borrowed even after undertaking the largest expansion in its existence.



### Interest coverage ratio (x)

#### Meaning

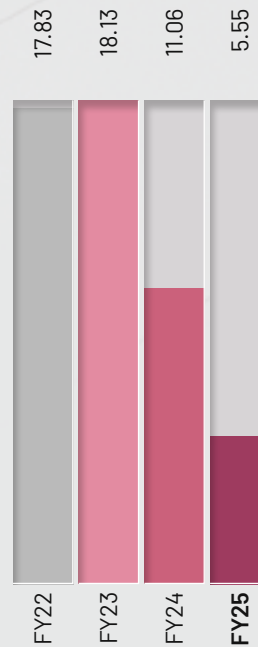
The interest coverage ratio (ICR) is a financial ratio used to determine how well a Company can pay interest on outstanding debt.

#### Importance

Lenders, creditors and investors commonly use the interest coverage ratio to assess the risk of lending to the Company.

#### Performance

The Company reported a safe and attractive interest coverage ratio of 2.34 for FY 2024-25, lower than the previous year.



### RoCE (%)

#### Meaning

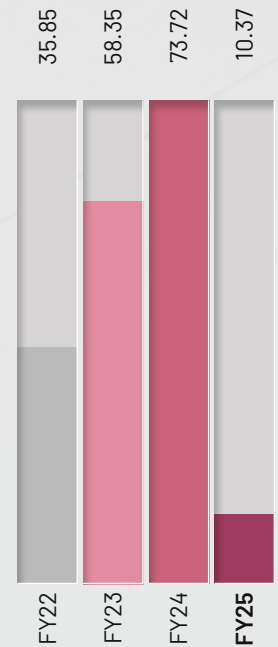
Return on capital employed (ROCE), a profitability ratio that measures how efficiently a Company is using its capital to generate profits.

#### Importance

The return on capital employed (ROCE) is one of the most important profitability ratios, commonly used by investors to assess whether a Company is a good investment.

#### Performance

The Company reported 5.55% return on capital employed for FY 2024-25, which was lower than the previous year on account of depressed operating conditions.



### Earnings per share (₹ in)

#### Meaning

Earnings per share (EPS) is a financial metric, which divides net earnings available to common shareholders by the average outstanding shares for a certain period.

#### Importance

Earnings per share reflect a Company's ability to generate net profits for common shareholders.

#### Performance

The Company reported a ₹10.37 earnings per share for FY 2024-25, which was 85.93% lower than the previous year on account of depressed operating conditions.

THE BIG PICTURE



The capacity to seek an opportunity in every adversity translated into a relatively creditable performance in FY 2024-25





**We were aware of the threats of commissioning a large capacity in the midst of a sectoral slowdown. We remained cognizant of the need to remain liquid and viable following the expansion even when paperboard realizations remained flat.**

## Overview

I am pleased to present a performance review of your Company for the last financial year coupled with how we see the sector and Company evolve going ahead.

In our last Annual Report, I had indicated that the Company had commissioned a ₹850 cr investment programme to increase paperboard manufacturing capacity to 900 tons per day. The investment was the largest in the Company's existence; the investment also helped create the largest single paperboard manufacturing machine at a single location in India.

This investment was made with the objective to graduate the Company into the next league and build a sustainable growth platform for the future.

## Achievement

I am pleased to communicate that the decisive game-changing manufacturing capacity was commissioned during the last financial year. By the close of the last financial year, the new capacity had touched an average capacity utilization of 95%. In a chemical-intensive, capital-heavy and process-driven sector like paperboard, we believe that this average capacity utilization represents a manifestation of our capabilities – the ability to select the right technology cum scale and the talent to sweat this large asset around the highest utilization levels. This single achievement validated that the Company has done all it could to minimize the effect of operating variables under its

control and maximize performance consistency.

I am pleased to communicate that this operating competence extended to the ability to market and distribute paperboard across the country. By the close of the year under review, the Company had sold virtually all that it could produce; our closing inventory of finished paperboard was equivalent to 12 days of production and our paperboard output was marketed pan-India. This indicates that our expansion was not a flash in the pan; it was prudently conceived and executed; it validated our conviction in the Indian growth story.

## Low risk expansion

At N R Agarwal, we recognized the need to maximize manufacturing capacity without compromising our desired risk appetite. We were aware of the threats of commissioning a large capacity in the midst of a sectoral slowdown. We remained cognizant of the need to remain liquid and viable following the expansion even when paperboard realizations remained flat.

I am pleased to communicate that we achieved all these imperatives during a challenging FY 2024-25. This is evident in our financials: the Company reported a net profit; in a capital-intensive business we maintained our EBITDA margin in line with the industry average.

Besides, the Company reported a 28.27% increase in revenues to ₹1659.03 cr; EBITDA declined 8.59% to ₹142.44 cr; profit after tax decreased to ₹15.96 cr. Even as EBITDA margin declined 578 bps to 8.59%, the margin

was in line with the industry average and validates the viability of the Company even during the bottom of the industry downtrend. Around 30% of the output was exported and 60% sold in western India, where the plant is located. The new plant helped widen the product basket to value-added board varieties that are either being imported or being under-supplied.

These financials indicate that the expansion proved value-accretive within a single quarter. This enhanced value is the result of the Company selecting to invest in the largest single manufacturing unit in India, translating into superior economies of scale and locational port cum domestic market proximity. The result is that we are probably the lowest cost paperboard manufacturer in India (from an interest outflow per ton of paper manufactured perspective) due to our scale and technology benefit. This relatively low risk perspective should enhance significant value for the Company when realizations improve.

## Sectoral transition

At N R Agarwal, we remained profitable during the last financial year when paperboard realizations trended lower. At peak, paperboard realized ₹41 per kg; by the close of the last financial year, realizations had declined to ₹37 per kg. This decline was precipitated by a global paperboard oversupply and cheaper imports.

During this sectoral downtrend, we are seeing the beginning of an industry consolidation at two levels.

At one level, small paperboard manufacturing units are exiting the business, unable to match declining realizations, improve end product quality or address debt repayment obligations. At the other level, some of the larger paperboard companies are acquiring large capacities. The result is that the manufacturing capacities are moving into stronger hands; besides, the exit of smaller players is leaving unaddressed demand in the regional markets.

At N R Agarwal, we perceive an opportunity in adversity. The longer the downtrend persists in the paperboard sector, there is a possibility of more sub-optimal mills going out of production, creating a growing opportunity for larger organized paperboard manufacturers. In view of this, we perceive the downtrend to be an attractive opportunity to grow our business: capital equipment manufacturers deliver faster around affordable costs; most manufacturers freeze their capital spending; the country's paperboard consumption continues to grow.

## Seeing the opportunity

At N R Agarwal, we foresee India sustaining its place as the world's fastest growing economy. This growth is likely to be sustained by a robust consumption engine. The foundation of this robust engine was reinforced in the Union Budget 2025-26 when the government introduced personal income tax exemptions up to ₹12,00,000. This is likely to catalyze the consumption of a range of products where packaging is used.

At our Company, we perceive a distinctive opportunity to graduate to the next orbit. The viability of our greenfield 900 TPD paper board manufacturing unit was validated during the downtrend of the last financial year. This indicates that when realizations revive, the plant may generate a sizable surplus that

could make it possible to recover our entire investment within a few years even as the productive life of the unit would be considerably longer.

Rather than wait for the industry downtrend to reverse for the better, the Company is exploring the possibility of commissioning a second large greenfield paperboard manufacturing unit, possibly of a higher configuration. The Company expects to replicate its established and validated approach: order the equipment during the sectoral downtrend at a competitive capital cost, fund the proposed investment through a combination of financial structures that moderates the load on the Company's Balance Sheet and provide the Company with a growth pathway for the next few years. By the virtue of being proximate to a port, the Company is optimistic of deepening its presence as a global paperboard Company with a sizable proportion of its output being sold in India.

By the virtue of commissioning the 900 TPD paper board manufacturing unit in the last financial year, the Company has graduated to become one of the top mills of the paper sector in India. Besides, the Company is the largest paperboard manufacturer in India (greyback and white back paperboard varieties) and the largest recycled paper manufacturer. The Company is equipped to produce half a million tons of paperboard starting the current financial year; we are optimistic that this scale – achieved at around the lowest capital cost per ton when compared to peers with similar capacities – should enhance our brand, visibility, and stakeholder traction.

Besides, the Company is utilizing its vast capacity to graduate from commodity products to value-added variants. In a post-Balance Sheet data development, the Company launched a value-added folding box board (FBB)

to address customers in India and abroad. This strategic product launch marks a milestone in the Company's commitment to portfolio innovation and diversification in the packaging board segment.

## Outlook

The Company remains optimistic of prospects during the current financial year. The challenges of timely commissioning appear to be over; the priority will now lie in sweating the new unit at a consistently high utilisation, sustaining the highest quality standard for the highest realization and marketing the production around the lowest average logistical cost per km.

The Company expects to achieve ₹2200 cr in revenues during the current financial year, factoring the decline in realizations. When achieved, this would be an impressive 36% higher than the ₹1617 cr achieved by the Company in FY 2023-24. This validates the ability of the Company to change orbits without impairing the Balance Sheet and create a robust growth platform.

At N R Agarwal, we are optimistic that the India growth story will have a clear linkage with paperboard consumption. The faster India grows, the more paperboard will be consumed. Besides, the more the world seeks environment-friendly alternatives, the greater will be the demand for recycled paper-based paperboard of the kind manufactured by our Company.

In view of these realities and possibilities, we are optimistic of enhancing value in the hands of our stakeholders in a sustainable way across the foreseeable future.

**R N Agarwal**  
Chairman & Managing Director



## What has helped deepen competitiveness of our new 900 TPD paperboard manufacturing unit

- The capital cost per ton of expanded capacity was possibly the lowest in India's paper boards sector - ₹40,000 compared with the greenfield cost of ₹1,00,000
- The Company increased the capacity of its initial configuration of 500 TPD to 900 TPD at an incremental cost of only ₹350 cr (including a power generation capacity for ₹50 cr), enhancing competitiveness. The increase in more than 50% in manufacturing capacity at only 15% additional cost is expected to create a long-term competitive advantage, translating into enhanced business sustainability.
- The ₹1000 cr invested in the new manufacturing capacity was funded by ₹665 cr of debt and the rest through earnings. The debt repayment has been structured across seven years.
- A 7.5 MW power plant will utilize extracted plastic from wastepaper used in the raw material mix (apart from outside sourcing), reducing the environment load; it will address 36% of the power needs of the new manufacturing facility; it will pare power generation cost to ₹4 per unit, half the cost at which power is available through the state electricity grid.

## Our Board of Directors



**Shri R N Agarwal**  
*Chairman & Managing  
Director*



**Shri Raunak Agarwal**  
*Executive Director*



**Smt. Reena Agarwal**  
*Executive Director*



**Shri Rohan Agarwal**  
*Executive Director & CEO*



**Shri P K Mundra**  
*Executive Director  
& CFO*



**Shri R K Bakshi**  
*Independent Director*



**Shri K L Chandak**  
*Independent Director*



**Smt. Sunita Nair**  
*Independent Director*



**Shri Sanjay Sinha**  
*Independent Director*

## The leaders who have played a role in transforming our Company



**Shri N R Agarwal**  
*Late Founder*



**Shri R N Agarwal**  
*Chairman & Managing  
Director*



**Shri Raunak Agarwal**  
*Executive Director*



**Shri Rohan Agarwal**  
*Executive Director  
& CEO*

# Management discussion and analysis

## Global economic review

### Overview

Global economic growth declined marginally from 3.3% in 2023 to an estimated 3.2% in 2024. This was marked by a slowdown in global manufacturing, particularly in Europe and parts of Asia coupled with supply chain disruption and weak consumer sentiment. In contrast, the services sector performed more creditably.

The growth in advanced economies remained steady at 1.7% from 2023 to 2024 as the emerging cum developing economies witnessed a growth decline at 4.2% in 2024 (4.4% in 2023).

On the positive side, global inflation was expected to decline from 6.1% in 2023 to 4.5% in 2024 (projected at 3.5% and 3.2% in 2025 and 2026 respectively). This decline was attributed to the declining impact of erstwhile economic shocks, and labour supply improvements. The monetary policies announced by governments the world over helped keep inflation in check as well.

The end of the calendar year was marked by the return of Donald Trump as the new US President. The new US government threatened to impose tariffs on countries exporting to the US unless those countries lowered tariffs for the US to export to their countries. This enhanced global trade and markets uncertainty and emerged as the largest singular uncertainty in 2025.

Regional growth (%)	2024	2023
World output	3.2	3.3
Advanced economies	1.7	1.7
Emerging and developing economies	4.2	4.4

(Source: IMF, KPMG, Press Information Bureau, BBC, India Today)

## Performance of the major economies, 2024

### United States

Reported GDP growth of 2.8% in 2024 compared to 2.9% in 2023.

### China

GDP growth was 5.0% in 2024 compared to 5.2% in 2023.

### United Kingdom

GDP growth was 0.8% in 2024 compared to 0.4% in 2023.

### Japan

GDP growth was 0.1% in 2024 compared with 1.9% in 2023.

### Germany

GDP contracted by 0.2% in 2024 compared to a 0.3% decline in 2023.

(Source: CNBC, China Briefing, ons.gov.uk, Trading Economics, Reuters)

### Outlook

The global economy has entered a period of uncertainty following the imposition of tariffs of products imported into the USA and some countries announcing reciprocal tariffs on US exports to their

countries. This is likely to stagger global economic growth, the full outcome of which cannot be currently estimated. This risk is supplemented by risks related to conflicts, geopolitical tensions, trade restrictions and climate risks. In view

of this, World Bank projected global economic growth at 2.7% for 2025 and 2026, factoring the various economic uncertainties.

(Source: IMF, United Nations)

## Indian economic review

### Overview

The Indian economy was projected to grow at 6.5% in FY 2024-25, compared to a revised 9.2% in FY 2023-24. This represented a four-year low due to a moderate slowdown within the Indian economy (marked

by slower manufacturing growth and a decline in net investments). Despite the slowdown, India retained its position as the world's fifth-largest economy.

India's nominal GDP (at current prices) was ₹331 trillion in FY 2024-25 (₹301.23 trillion in FY 2023-24). The

nominal GDP per capita increased from ₹2,15,936 in FY 2023-24 to ₹2,35,108 in FY 2024-25, reflecting the impact of an economic expansion.

The Indian rupee weakened 2.12% against the US dollar in FY 2024-25, closing at ₹85.47 on the last trading day of FY 2024-25. In March 2025, the

rupee recorded the highest monthly appreciation since November 2018, rising 2.39% (arising out a weakening US dollar).

Inflationary pressures eased, with CPI inflation averaging 4.63% in FY 2024-25, driven by moderating food inflation and stable global commodity prices. Retail inflation at 4.6% in FY 2024-25, was the lowest since the pandemic, catalyzing savings creation.

India's foreign exchange reserves stood at a high of US\$ 676 billion as of April 4, 2025. This was the fourth consecutive year when rating upgrades outpaced downgrades on account of strong domestic growth, rural consumption, increased infrastructure investments and low corporate leverage (annualized

rating upgrade rate 14.5% exceeded the decade-long average of 11%; downgrade rate was 5.3%, lower than the 10-year average of 6.5%).

Gross inward foreign direct investment revived in FY 2024-25, rising 20.6% YoY from US\$ 51.8 billion in the first eight months of FY 2023-24 to US\$ 62.5 billion

during the same period in FY 2024-25. However, the net foreign direct investment in India declined from US\$ 7.84 billion in the first nine months of FY 2023-24 to US\$ 1.18 billion in the corresponding period in FY 2024-25, followed increased repatriation and investments by Indian firms across international geographies.

### Growth of the Indian economy

	FY22	FY23	FY24	FY25
Real GDP growth (%)	8.7	7.2	9.2	6.5

(Source: MoSPI, Financial Express)

### Growth of the Indian economy quarter by quarter, FY 2024-25

	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Real GDP growth (%)	6.5	5.6	6.2	7.6

(Source: The Hindu, National Statistics Office)

The banking sector continued its improvement, with gross non-performing assets (NPA) for scheduled commercial banks (SCBs) declining to 2.6% as of September 2024, down from 2.7% in March 2024. The capital-to-risk-weighted assets ratio for SCBs stood at 16.7% as of September 2024, reflecting a strong capital position.

India's exports of goods and services are projected to reach US\$ 800 billion in FY 2024-25, up from US\$ 778 billion in the previous fiscal year. The Red Sea crisis impacted shipping costs, affecting price-sensitive exports. Merchandise exports were expected to grow 2.2% YoY, reaching US\$ 446.5 billion.

India's net GST collections increased 8.6%, totalling ₹19.56 lakh cr in FY 2024-25. Gross GST collections in FY 2024-25 stood at ₹22.08 lakh cr, a 9.4% increase YoY.

On the supply side, real gross value added (GVA) was estimated to expand 6.4% in FY 2024-25. The industrial sector was expected to grow 6.2%, supported by growth in construction

activities, electricity, gas, water supply and other utility services.

India's services sector grew an estimated 7.3% in FY 2024-25 (9.0% in FY 2023-24), driven by public administration, defence and other services (expanded at 8.8% as in the previous year). In the infrastructure and utilities sector, electricity, gas, water supply and other utility services grew a projected 6.0% in FY 2024-25, compared to 8.6% in FY 2023-24. Meanwhile, the construction sector expanded at ~8.6% in FY 2024-25, slowing from 10.4% in the previous year.

Manufacturing activity was subdued in FY 2024-25, with growth projected at 4.3%, which was lower than 12.3% in FY 2023-24. Moreover, due to lower public spending in the early part of the year, government final consumption expenditure (GFCE) is anticipated to have slowed to 3.8% in FY 2024-25, compared to 8.1% in FY 2023-24.

The agriculture sector growth was estimated at 3.8% in FY 2024-25 (1.4% in FY 2023-24). Trade, hotel, transport, communication and

services related to broadcasting segment were estimated to grow at 6.4% in FY 2024-25 (6.3% in FY 2023-24).

From a demand perspective, private final consumption expenditure at constant prices was forecast to grow 7.3%, indicating a rebound in rural demand and stronger consumer confidence.

The Nifty 50 and SENSEX recorded their weakest annual performances in FY 2024-25 in two years, rising 5.3% and 7.5% during the year under review respectively. Gold rose 37.7% to a peak of US\$ 3,070 per ounce, the highest increase since FY 2007-08, indicating global uncertainties.

Total assets managed by the mutual fund (MF) industry jumped 23% or ₹12.3 lakh cr in fiscal 2025 to settle at ₹65.7 lakh cr. At close of FY 2024-25, the total number of folios had jumped to nearly 23.5 cr, an all-time peak. During last fiscal, average monthly systematic investment plan (SIP) contribution jumped 45% to ₹24,113 cr.

Foreign portfolio investments (FPIs) in India experienced high volatility throughout 2024, with total inflows into capital markets reaching approximately US\$ 20 billion by year-end. However, there was significant selling pressure in the last quarter, influenced by new tariffs announced by the new US government on most countries (including India).

### Outlook

India is expected to remain the fastest-growing major economy. Initial Reserve Bank of India estimates have forecast India's GDP growth downwards from 6.7% to 6.5% based on risks arising from US tariff levies on India and other countries. The following are some key growth catalysts for India in FY 2025-26.

**Tariff-based competitiveness:** India identified at least 10 sectors such as apparel and clothing accessories, chemicals, plastics and rubber where the US' high tariffs give New Delhi a competitive advantage in the American market over other suppliers. While India faced a 10% tariff after the US suspended the 26% additional duties for 90 days, the levy remained at 145% on China, the biggest exporter to the US. China's share of apparel imports into the US was 25%, compared with India's 3.8%, a large opportunity to address differential.

(Source: Niti Aayog).

**Union Budget FY 2025-26:** The Union Budget 2025-26 laid a strong foundation for India's economic trajectory, emphasizing agriculture, MSMEs, investment, and exports as the four primary growth engines.

With a fiscal deficit target of 4.4% of GDP, the government reinforced fiscal prudence while allocating ₹11.21 lakh cr for capital expenditure (3.1% of GDP) to drive infrastructure development. The February 2025 Budget marked a shift in approach, with the government proposing substantial personal tax cuts. Effective April 1, 2025, individuals earning up to ₹12 lakh annually will be fully exempt from income tax. Economists estimate that the resulting ₹1 lakh cr in tax savings could boost consumption by ₹3-3.5 lakh cr, potentially increasing the nominal private final consumption Expenditure (PFCE) by 1.5-2% of its current ₹200 lakh cr.

**Free trade agreement:** In a post-Balance Sheet development, India and the United Kingdom announced a free trade agreement to boost strategic and economic ties. This could lead to a significant increase in the export competitiveness of Indian shipments in the UK across the textiles, toys, leather, marine products, footwear, and gems & jewellery sectors. About 99% of Indian exports to UK will enjoy zero-duty access tariff cuts; India will cut tariffs on 90% of tariff lines and 85% could become fully duty-free within 10 years.

**Pay Commission impact:** The 8<sup>th</sup> Pay Commission's awards could lead to a significant salary revision for nearly ten million central government employees. Historically, Pay Commissions have granted substantial pay hikes along with generous arrears. For instance, the 7<sup>th</sup> Pay Commission more than tripled

its monthly salaries, raising the range from ₹7,000 to ₹90,000 to ₹18,000 to ₹12.5 lakh, triggering a widespread ripple effect.

**Monsoons:** The India Meteorological Department predicted an 'above normal' monsoon in 2025. This augurs well for the country's farm sector and a moderated food inflation outlook.

**Easing inflation:** India's consumer price index-based retail inflation in March 2025 eased to 3.34%, the lowest since August 2019, raising hopes of further repo rate cuts by the Reserve Bank of India.

**Deeper rate cuts:** On June 6, 2025, the Monetary Policy Committee (MPC) delivered a "jumbo" 50 bps cut, lowering the repo rate further from 6.00% to 5.50% marking the third consecutive cut this year while shifting the policy from "accommodative" to "neutral".

**Lifting credit restrictions:** In November 2023, the RBI increased risk weights on bank loans to retail borrowers and NBFCs, significantly tightening credit availability. This led to a sharp slowdown in retail credit growth from 20-30% to 9-13% between September 2023 and 2024. However, under its new leadership, the RBI has prioritized restoring credit flow. Recent policy shifts have removed restrictions on consumer credit, postponed higher liquidity requirements for banks, and are expected to rejuvenate retail lending.

(Source: CNBC, Press Information Bureau, Business Standard, Economic Times, World Gold Council, Indian Express, Ministry of External Affairs, Times of India, Business Today, Hindustan Times, Statistics Times)

## Global paperboard packaging industry overview

Paperboard packaging consists of materials derived from paper pulp, designed for various packaging solutions. It serves to enclose, protect, and display products for

storage, transportation and sale. The growth in the past period can be attributed to the demand for traditional packaging, cost-effectiveness, regulatory compliance, brand image and marketing, as well as product protection and preservation.

The growing adoption of paperboard packaging represents a remarkable

step towards a greener future, as businesses and consumers increasingly recognize the importance of reducing plastic waste, lowering carbon footprints, and embracing eco-friendly alternatives that promote long-term environmental sustainability. Seeking alternatives that minimize waste while aligning

with the growing emphasis on environmental consciousness, paperboard packaging has emerged as a widely adopted solution. The most significant advantage of paperboard packaging over plastic is its sustainability where the paperboard is 100% recyclable and also generates less carbon emission, where plastic packaging is

contributing higher carbon emissions, which could hinder growth. The shift away from plastic packaging also ties into a broader trend of transparency in business practices. Consumers want to know where products come from and how they are packaged. Brands using paperboard can highlight their commitment to sustainability and responsible sourcing.

The paperboard packaging market size has expanded significantly, increasing from US\$ 422.32 billion in 2024 to US\$ 447.11 billion in 2025, with a CAGR of 5.9%. The global consumption of paper and paperboard is expected to reach 519 MT by 2035.

(Source: The Business research company, Index box, Global market insights, Bajajchemsolution.com)

## Indian paperboard packaging industry overview

Packaging is the fifth-largest sector of the Indian economy and one of the fastest-growing industries, expanding at an annual rate of 22-25% and positioning India as a growing centre in the global packaging industry. Paperboard packaging has emerged as a crucial component in various sectors of the food industry in India, including bakeries and snacks. Paperboard tubes offer several advantages, particularly in packaging dry goods such as spices, tea, and

snacks. However, the growing use of non-recyclable flexible packaging is becoming a concern as the Indian packaged food market expands, which is projected to reach US\$ 3.4 billion by 2027. With ongoing technological advancements and a shift toward sustainable solutions, the packaging industry is set to play a vital role in India's economic growth. The Indian paperboard packaging market is valued at US\$ 13.72 billion in 2025 and is projected to grow at a CAGR of 6.63%, reaching US\$ 18.92 billion by 2030.

In 2024, India's packaging paperboard consumption reached 15 million tons, comprising nearly 65% of the nation's total paper, paperboard and newsprint market of 23 million tons. The Indian e-commerce packaging market is projected to generate US\$ 15.8 billion in revenue by 2030, up from US\$ 3.0 billion in 2023, growing at a CAGR of 26.7%. Paper packaging plays a crucial role in this sector for shipping goods, and with India's exports rising in this segment; the country is poised to become a major supplier of paper packaging varieties.

(Source: Data insights markets, IBEF, Mordor intelligence, Research and markets)

## Government policies

The Indian government has launched several initiatives to promote sustainable and standardized packaging practices across various industries. Key policies include:

**National Packaging Initiative:** This initiative sets guidelines for packaging design, promotes bulk transport, and supports centralized industrial

hubs with advanced infrastructure like logistics parks and packaging labs. It aims to cut packaging waste by establishing material recovery facilities and boosting domestic production of quality packaging materials. Additionally, it focuses on top-tier training and certifications to ensure a skilled workforce.

**Extended Producer Responsibility (EPR):** In 2024, the Ministry of

Environment, Forest, and Climate Change introduced this policy to improve waste management for materials like paper, glass, metal, and sanitary products. This marks a significant step toward sustainable packaging waste management in India, specifically requiring compliance from producers, importers, and brand owners (PIBOs).

(Source: IBEF, Whatpackaging.co.in)

## Growth drivers of India's paperboard industry

**Economic growth:** Growing environmental concerns are driving a shift toward sustainable packaging solutions. India's GDP, which is now at US\$ 3.94 trillion, is projected to increase to US\$ 4.3 trillion by the end of 2025 and expected to reach US\$ 5.7 trillion by 2028.

**Rising sustainable packaging demand:** Paper-based packaging, known for being recyclable, biodegradable, and renewable is increasingly replacing plastic. The food, retail, and e-commerce sectors are rapidly adopting paper-based materials to comply with sustainability regulations and meet rising consumer demand for eco-friendly products. The sustainable

packaging market size was valued at US\$ 11.93 million in 2024 and expected to reach US\$ 21.06 million by 2033, reflecting a CAGR of 6.19% from 2025-2033.

**Income growth:** Rise in income is fueling the demand for paperboard products, as increased consumer spending drives the packaged goods and e-commerce sectors. As consumers become more eco-

conscious, companies are shifting from plastic to high-quality recycled and biodegradable packaging boards. India's middle class is projected to comprise 40% of the population by 2031 and 63% by 2047. Rising income levels are fueling consumer spending, driving demand for high-quality packaging. In response, India is expanding its production of premium paperboard, packaging paper, and related materials to capitalize on this opportunity.

**Cost-effectiveness and versatility:** Paperboard is cost-efficient, easy to print on, and customizable, making it ideal for branding and marketing. It is used in industries like pharmaceuticals, cosmetics and consumer goods, all of which are expanding in India.

**Food packaging and beverages:** India's food packaging industry is set for significant expansion, with the market projected to be valued at US\$ 38.27 billion in 2025, growing at a

CAGR of 6.52%, and expected to reach US\$ 52.49 billion by 2030. Paperboard is widely used in food packaging, as it is safe, recyclable and can be treated to resist moisture and grease. FMCG companies are turning to sustainable packaging materials and practices. While these regulatory changes pose difficulties, they also create opportunities for growth.

(Sources: Mordor Intelligence, Renub Research, IMARC, Outlook Business, ResourceWise.com)

## Company overview

N R Agarwal Industries Limited, established in 1993, is a leading manufacturer of high-quality finished paper products for domestic and

international markets. Headquartered in Mumbai, India, the Company operates manufacturing facilities in Vapi and Saigram, Gujarat. Its product portfolio primarily includes paper used in FMCG packaging, textbooks,

print media, and notebooks. With a strong emphasis on product innovation, quality enhancement, and cost efficiency, the Company produced 3,84,880 MT of paper and paperboard in FY 2024-25.

## Financial analysis

### Balance sheet

- Borrowings for FY 2024-25 stood at ₹621.09 cr compared to ₹552.67 cr during FY 2023-24.
- Total non-current assets for FY 2024-25 stood at ₹4409.81 cr compared to ₹1,202.37 cr in FY 2023-24.

### Profit and loss statement

- Revenues increased 28.27% to 1659.03 cr in FY 2024-25 compared to ₹1293.38 cr in FY 2023-24.
- EBITDA decreased 23.25% to ₹142.44 cr in FY 2024-25 compared to ₹185.59 cr in FY 2023-24.
- Profit after tax decreased 85.93% to ₹17.65 cr in FY 2024-25 compared to ₹125.46 cr in FY 2023-24.

- Total expenses for FY 2024-25 stood at ₹1674.47 cr compared to ₹1163.12 cr in FY 2023-24.
- Depreciation and amortization stood at ₹65.57 cr in FY 2024-25 compared to ₹37.41 cr in FY 2023-24.

## Risk management

### Economic risk

An economic slowdown may curb consumer spending, potentially leading to a decline in demand for paper products.

**Mitigation:** India's GDP was estimated to grow at 6.5% in FY 2024-25, showing the country's consumption potential and economic resilience. This creates wider opportunities for the market and the Company.

### Digitalization risk

Digitalization may lead to a decline in paper consumption.

**Mitigation:** The Company provides a diverse range of high-quality products

to meet the increasing demand from the e-commerce industry. With a unique ability to fulfill consumer needs across varying order sizes, it strengthened its focus on paper packaging to leverage emerging market trends.

### Raw material risk

A shortage of raw materials may impact operations.

**Mitigation:** The Company primarily relies on locally sourced waste paper, minimizing its dependency on external raw material procurement.

### Financial risk

A significant increase in input costs may impact profitability.

**Mitigation:** The Company's efficient input cost management and timely debt repayment increased/decreased profitability, leading to significant improvements in profit after tax (PAT) and EBITDA.

### Product dumping risk

It occurs when companies sell paperboard products abroad at unfairly low prices, harming local industries through unfair competition, business closures, and job losses.

**Mitigation:** Government can impose anti-dumping duties and tariffs to protect local industries.

(Sources: Investopedia, wto.org)

## Key numbers

Particulars	FY25	FY24
EBITDA/Turnover (%)	8.59	14.35
Debt-equity ratio	0.70	0.63
Return on Equity (%)	1.04	7.37
Book value per share (H)	455.73	446.72
Earnings per share (H)	10.37	73.72
Interest Coverage Ratio (x)	2.34	17.60
Current Ratio (x)	1.33	1.60
Net profit margin (%)	1.08	9.78

### Human resources

The Company values its employees as key to its success and is dedicated to equipping them with the skills needed to adapt to technological advancements. Throughout the year, it conducted training programs covering behavioural skills, technical expertise, leadership, customer orientation, safety, values, and the code of conduct. As of March 31, 2025, the Company had a workforce of 1432 employees.

### Internal control systems

The Company upholds corporate governance principles, ensuring strong internal controls and risk management systems. The board of directors provides strategic oversight and guidance to executive leadership while monitoring risk committees, controls, and the audit department. Additionally, statutory auditors oversee these functions, reinforcing accountability and compliance.

### Cautionary statement

The management discussion and analysis report containing your Company's objectives, projections, estimates, and expectations may constitute certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied.

## N R Agarwal Industries Limited

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# Notice

Notice is hereby given that the Thirty Second Annual General Meeting (AGM) of the members of N R AGARWAL INDUSTRIES LIMITED will be held on Wednesday, September 24, 2025 at 11:30 a.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2025, together with the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of ₹2/- per share on equity shares for the financial year ended March 31, 2025.
3. To appoint a Director in place of Shri Raunak Agarwal (DIN: 02173330), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. Approval for the re-appointment and payment of remuneration to Smt. Reena Agarwal (DIN: 00178743) as Whole time Director, designated as Executive Director

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and subject to other consents required, if any, approval of the members of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Smt. Reena Agarwal (DIN: 00178743) as Whole time Director, designated as Executive Director of the Company for a further period of 3 (three) years with effect from August 01, 2025 to July 31, 2028 on the terms and conditions

including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee and as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to fix, alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit subject to overall maximum managerial remuneration limit of 17% of net profits computed in manner as laid down in section 198 of Companies Act, 2013 as approved by the shareholders by way of Special Resolution dated August 22, 2024;

**RESOLVED FURTHER THAT** in absence or inadequacy of the profits in any financial year, Smt. Reena Agarwal, Executive Director shall be entitled to receive and be paid the remuneration (excluding commission) as stated in the explanatory statement as minimum remuneration;

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to the Act and Schedule V of the Companies Act, 2013 the Board be and is hereby authorized to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling without any further reference to the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Approval for the re-appointment and payment of remuneration to Shri Raunak Agarwal (DIN: 02173330) as Whole time Director, designated as Executive Director

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including

any statutory modification (s) or re-enactment (s) thereof for the time being in force) and subject to other consents required, if any, approval of the members of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Shri Raunak Agarwal (DIN: 02173330) as the Whole time Director, designated as Executive Director of the Company for a further period of 3 (three) years with effect from August 01, 2025 to July 31, 2028 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee and as set out in the explanatory statement annexed to the Notice convening this Meeting with liberty to the Board of Directors to fix, alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit subject to overall maximum managerial remuneration limit of 17% of net profits computed in manner as laid down in section 198 of Companies Act, 2013 as approved by the shareholders by way of Special Resolution dated August 22, 2024;

**RESOLVED FURTHER THAT** in absence or inadequacy of the profits in any financial year, Shri Raunak Agarwal, Executive Director shall be entitled to receive and be paid the remuneration (excluding commission) as stated in the explanatory statement as minimum remuneration;

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to the Act and Schedule V of the Companies Act, 2013 the Board be and is hereby authorized to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling without any further reference to the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**6. Approval for the re-appointment and payment of remuneration to Shri Rohan Agarwal (DIN: 08583011) as Whole time Director, designated as Executive Director & CEO**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and Regulation 17(6)(e) of SEBI (Listing Obligations and

Disclosures Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and subject to other consents required, if any, approval of the members of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Shri Rohan Agarwal (DIN: 08583011) as the Whole time Director, designated as Executive Director & CEO of the Company for a further period of 3 (three) years with effect from November 04, 2025 to November 03, 2028 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee and as set out in the explanatory statement annexed to the Notice convening this Meeting with liberty to the Board of Directors to fix, alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit subject to overall maximum managerial remuneration limit of 17% of net profits computed in manner as laid down in section 198 of Companies Act, 2013 as approved by the shareholders by way of Special Resolution dated August 22, 2024;

**RESOLVED FURTHER THAT** in absence or inadequacy of the profits in any financial year, Shri Rohan Agarwal, Executive Director shall be entitled to receive and be paid the remuneration (excluding commission) as stated in the explanatory statement as minimum remuneration;

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to the Act and Schedule V of the Companies Act, 2013 the Board be and is hereby authorized to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling without any further reference to the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**7. Appointment of Secretarial Auditors**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to recommendation of Audit Committee and approval of Board of Directors at their meeting held on May 28, 2025, **M/s. Parikh & Associates**, Practising Company Secretaries (ICSI Firm Registration: P1988MH009800) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years commencing from the financial year 2025-26 till financial year 2029-30 at such remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Board of Directors or any Committee of the Board and the Secretarial Auditors;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution."

#### **8. Ratification of Cost Auditors' remuneration**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to **M/s. V.J.Talati & Co.**, Cost Accountants, (Registration No. R00213) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, amounting to ₹1,00,000/- (Rupees One Lakh only) per annum and also the payment of GST as applicable and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid Audit be, and is hereby, ratified and confirmed."

#### **9. Approval for Shifting of Registered office of the Company from the State of Maharashtra to the State of Gujarat**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 12, 13, and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 30 of

the Companies (Incorporation) Rules, 2014 and other relevant applicable provisions, in any (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the Central Government (power delegated to Regional Director, Western Region) and such other statutory/regulatory approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law/regulations/guidelines prescribed by any regulatory authority for the time being in force or any statutory modification or amendment thereof, subject to any constant (prior/post)/notification or intimation of/from/to any investors, creditors, lenders, etc., if required in terms of any contractual obligations/covenant prescribed by the investors/lenders etc., the consent of the members be and is hereby accorded for shifting of the registered office of the Company from the State of Maharashtra to the State of Gujarat.

**RESOLVED FURTHER THAT** upon shifting of the Registered Office being effective, the existing Clause-II of the Memorandum of Association of the Company be and is hereby substituted with the following new clause:

**II. The Registered Office of the Company will be situated in the State of Gujarat.**

**RESOLVED FURTHER THAT** an application to be made to the Central Government (Power delegated to Regional Director, Western Region), under Section 13 and other applicable provisions of the Act, read with Rule 30 of the Companies (Incorporation) Rules, 2014 and in this regard file applications/petitions, relevant forms, issue notices, advertisements, obtain orders / approvals of shifting of Registered Office from the Concerned Authorities and to take such steps and do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution, including agreeing to such conditions and modifications that may be imposed by any statutory authority;

**RESOLVED FURTHER THAT** any of the Directors of the Company and Company Secretary of the Company be and are hereby individually and severally authorized to accept such conditions as the Central Government (power delegated to Regional Director, Western Region) may suggest while granting such approval and as the Directors may deem fit to accept;

**RESOLVED FURTHER THAT** upon approval of the Central Government (power delegated to Regional Director, Western Region) of such alteration, the Registered

Office of the Company be changed from the State of Maharashtra to the State of Gujarat and any one of the Directors of the Company and Company Secretary of the Company, be and is hereby severally authorized to do all acts, things, deeds, in the matter as may be necessary to give effect to this resolution.”

#### 10. Change in place of keeping Registers and Records of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s), or re-enactment(s) thereof for the time being in force) approval of the Members of the Company and is hereby accorded to keep the Registers as prescribed under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at any place other than the Registered Office of the Company and/or at the office of Registrar and Share Transfer Agent, from time to time;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution.”

#### 11. Alteration of Object Clause of the Memorandum of Association of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum of association (“MOA”) of the Company be and is hereby altered in the following manner:

- I. The following new clause be inserted as clause ‘35A’ after the existing clause ‘35’ in Part (B) of the Memorandum of Association of the Company under the heading ‘INCIDENTAL FOR ANCILLARY OBJECTS TO THE ATTAINMENT OF THE MAIN OBJECT:’

35A. To carry on the business of printers, publishers, manufacturers and/or dealers of newspapers, periodicals, magazines, books, greeting cards, playing cards of all types, and stationery of all kinds.

- II. The entire Part C titled “OTHER OBJECTS” of the Memorandum of Association of the Company be and is hereby deleted.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company or any other person so authorized by the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolutions as may be suggested by the Registrar of Companies or such other authority arising from or incidental to the said amendment without requiring the Board of Directors to secure any further consent or approval of the members of the Company.”

#### 12. Appointment of Shri Mahendra Kumar Gupta (DIN: 10544135) as an Independent Director of the Company

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (the Act), as amended from time to time, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and as recommended by the Nomination and Remuneration Committee and Board of Directors, Shri Mahendra Kumar Gupta (DIN: 10544135) who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment, and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, for a term of five years from September 24, 2025 to September 23, 2030 (both days inclusive).”

## Notes:

1. The Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its circulars dated May 12, 2020, and subsequent circulars issued in this regard, the latest being October 3, 2024 ('SEBI Circulars') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars and SEBI Circulars, the 32<sup>nd</sup> AGM of the Company is being held through VC/OAVM on Wednesday, September 24, 2025 at 11:30 a.m. (IST). The registered office of the Company shall be deemed to be the venue for the AGM.
2. In compliance with the above mentioned MCA and SEBI Circulars, Notice of the 32<sup>nd</sup> AGM and Annual Report for financial year 2024-25 is being sent electronically by the Company to those members whose email addresses are registered with the Company/RTA and Depositories. The Notice of the 32<sup>nd</sup> AGM and the Annual Report for financial year 2024-25 will be also available on the Company's website at [www.nrail.com](http://www.nrail.com) and website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
  
Detailed procedure for attending the AGM and voting through remote e-voting and e-voting at the AGM is provided at item no. 15 and 16 of notes of this Notice.
3. Pursuant to the MCA Circulars, since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional shareholders/ Corporate members intending to appoint their authorized representatives to participate in the AGM are requested to send a certified copy of the Board Resolution at [investors@nrail.com](mailto:investors@nrail.com).
5. The Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under item nos. 4 to 12 of the accompanying Notice are annexed hereto. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (Listing Regulations) and the Secretarial Standards on General Meetings in respect of the persons seeking appointment / re-appointment as Directors are also annexed.
6. In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 (the Act)(erstwhile Section 205A, 205C of the Companies Act 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Central Government. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend are requested to lodge their claims with the RTA for the same.
7. Pursuant to the provision of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) rules, 2016 ("the IEPF rules") and amendments thereto, shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority except for shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares. The Company would intimate individually to all such shareholders, dividend on whose shares has remained unpaid for a continuous period of seven years and a notice in this regard shall also be published in the newspapers. The Statement of Unclaimed Dividend amount for 7 consecutive years and shares due for transfer to IEPF is placed on the website of the Company at [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html). Members are therefore requested to approach the Registrar and Share Transfer Agent of the Company to claim their unpaid dividend, if any within the stipulated timeline.

8. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, transfers shall be effected only in dematerialized form. Further, members may please note that SEBI vide its Circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing any investor service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, subdivision/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the website of the Company at [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html). Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.
9. **Updation of PAN and other details** - SEBI vide its Circulars dated November 3, 2021 and December 14, 2021 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. Accordingly, the Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company at [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html) and furnish the requisite details.
- Members holding shares in electronic form are advised to send their request for the change of address, bank particulars, residential status or request for transmission of shares etc. to their Depository Participant.
10. The members holding shares in physical form who have not registered their email addresses with the Company/RTA may register their email addresses at [https://web.in.mpms.mufg.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufg.com/helpdesk/Service_Request.html) by providing details such as Select Company Name from drop box, Folio Number, Certificate Number, shareholder Name, PAN, Mobile Number, Email Id and also upload the image of share certificate and PAN card in PDF or JPEG format (up to 1MB). The facility for registration of bank details for the members holding shares in physical form are also available at [https://web.in.mpms.mufg.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufg.com/helpdesk/Service_Request.html) by providing details such as bank account no, bank name, IFSC code and also upload self-attested cancelled cheque leaf along with request letter duly signed in PDF or JPEG format (Up to 1MB).
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which Directors are interested maintained under Section 189 of the Act, the Register of Charges and relevant documents referred to in the Notice of this AGM and explanatory statement will be available for inspection by the members upto and during the AGM. Members seeking to inspect such documents can send their requests to the Company at [investors@nrail.com](mailto:investors@nrail.com).
12. As the AGM will be held through VC/OAVM, the requirement of providing the Route Map and Landmark for the AGM venue does not apply.
13. **Dividend and Record Date:**
- The Board of Directors at its meeting held on May 28, 2025 has recommended a final dividend of ₹2/- per share (i.e. 20%) on the equity shares of the Company of ₹10/- each.
  - The **Record Date** fixed for determining entitlement of members to final dividend for the financial year ended March 31, 2025, if approved at the AGM, is **Wednesday, September 17, 2025**. The dividend, if declared by the members at the AGM, will be paid, subject to deduction of income tax at source ('TDS'), as under:
    - Shares held in electronic form:** To all the Beneficial Owners as at the end of the day on Wednesday, September 17, 2025 in the list of beneficial owners to be furnished by NSDL and replace with CDSL; and
    - Shares held in physical form:** To all members in respect of shares held in physical form after giving effect to valid transfers, transmission and transposition requests lodged with the Company as of the close of business hours on Wednesday, September 17, 2025.
  - Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the members

and the Company is required to deduct TDS from dividend paid to the members at prescribed rates in the Income Tax Act, 1961 ('IT Act'). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential Status, Permanent Account Number ('PAN'), category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/ Registrar and Transfer Agent, MUFG Intime India Private Limited (Formerly Link Intime India Private Limited). For details, members may refer to the "Communication on TDS on Dividend" uploaded on the Company's website at [www.nrail.com](http://www.nrail.com) under Investor Relations.

- d) Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:

**Shares held in physical form:** Members are requested to send the following documents in original to the RTA latest by Friday, September 12, 2025.

- i. A signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - Name and Branch of Bank and Bank Account type;
  - Bank Account Number and type allotted by your bank after implementation of Core Banking Solutions;
  - 11 digit IFSC Code
- ii. original cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
- iii. self-attested photocopy of the PAN Card; and
- iv. self-attested photocopy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the member as registered with the Company.

To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular dated November 17, 2023, has done away with the

provision regarding freezing of folios not having PAN, KYC, and Nomination details. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html).

Members holding shares in physical form who are non KYC compliant may please note that the payment of dividend will be done upon submission of the required information in prescribed forms along with the supporting documents.

**Shares held in electronic form:** Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such members for change/addition/ deletion in such bank details. Accordingly, the members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by the members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

The members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ bankers' cheque/demand draft to such members at the earliest.

14. SEBI vide circular nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with master circular no. SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the

ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html)

#### 15. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below 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.
- ii. Members are encouraged to join the Meeting through laptops for better experience.
- iii. Further members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- iv. 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.
- v. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include Large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional

Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- vi. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- vii. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investors@nrail.com](mailto:investors@nrail.com) by Wednesday, September 17, 2025. Those members who have pre-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.
- viii. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 32<sup>nd</sup> AGM through VC/OAVM facility.
- ix. Members who need assistance before or during the AGM may contact NSDL on 1800 1020 990 /1800 224 430 or contact Ms. Apeksha Gojamgunde at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### 16. Voting through Electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), read with MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 voting on the day of the AGM will be provided by NSDL. 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 e-mail address in their demat accounts in order to access e-voting facility.

**The e-voting instructions for members are as under:**

- (i) The remote e-voting period begins on **Saturday, September 20, 2025 at 9:00 a.m. (IST) and ends on Tuesday, September 23, 2025 at 5:00 p.m (IST) (both days inclusive)**. During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form as on the **cut-off date i.e. Wednesday, September 17, 2025** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (ii) A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- (iii) The members attending the AGM who have not already cast their votes on the resolutions through remote e-voting shall be able to exercise their voting rights on such resolutions during the AGM. The members who have cast their votes through remote e-voting prior to the AGM may also attend

the AGM but shall not be entitled to cast their votes again on such resolutions.

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

The remote e-voting period begins on **Saturday, September 20, 2025 at 9:00 a.m. (IST) and ends on Tuesday, September 23, 2025 at 5:00 p.m (IST) (both days inclusive)**. 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. **Wednesday, September 17, 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 Wednesday, September 17, 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 09, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are 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 data-bbox="432 276 1421 562">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ 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 “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="432 575 1421 672">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="432 685 1421 1006">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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 data-bbox="432 1020 1421 1083">4. Shareholders/members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="500 1091 847 1304" style="border: 1px solid #ccc; padding: 10px; margin-top: 10px;"> <p data-bbox="509 1097 843 1122"><b>NSDL Mobile App is available on</b></p> <div data-bbox="509 1136 843 1174" style="display: flex; justify-content: space-around;"> <div data-bbox="509 1136 654 1174" style="text-align: center;">  App Store         </div> <div data-bbox="685 1136 843 1174" style="text-align: center;">  Google Play         </div> </div> <div data-bbox="539 1188 816 1304" style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>

Type of shareholders	Login Method
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 e-Voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &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 from 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 option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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 22 55 33

**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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 [cs@parikhassociates.com](mailto:cs@parikhassociates.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 Ms. Apeksha Gojamgunde 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 [investors@nrail.com](mailto:investors@nrail.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 [investors@nrail.com](mailto:investors@nrail.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. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e Wednesday, September 17, 2025 may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of individual shareholders holding securities in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, September 17, 2025 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
5. 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 day of the AGM shall be the same person mentioned for remote e-voting.

**Other General Information:**

- a. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 17, 2025.
- b. The Company has appointed Ms. Jigyasa Ved (Membership No. FCS 6488) or failing her Ms. Sarvari Shah (Membership No. FCS 9697) of M/s. Parikh & Associates, Practising Company Secretaries as the Scrutinizer for conducting the voting process (including remote e-voting) in a fair and transparent manner.
- c. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting prior to the AGM and e-voting during the AGM and make not later than two working days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- d. The Results declared along with the Scrutinizer's Report shall be displayed on the notice board of the Company at its Registered Office and placed on the Company's website [www.nrail.com](http://www.nrail.com) and on the website of NSDL and communicated to the BSE & NSE where the shares of the Company are listed.

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

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, who will be present in the AGM through 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 AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on

**By order of the Board of Directors**

**Pooja Daftary**  
**Company Secretary**  
**ACS: 38024**

**N R Agarwal Industries Limited**  
 502-A/501-B, Fortune Terraces,  
 New Link Road, Andheri (West),  
 Mumbai - 400 053  
 CIN: L22210MH1993PLC133365  
 Tel. No. +91 (22) 67317500  
 Email ID: [investors@nrail.com](mailto:investors@nrail.com)  
 Website: [www.nrail.com](http://www.nrail.com)  
**Place:** Mumbai  
**Date:** August 13, 2025

## Annexure to Notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 4

The Board of Directors of the Company at its meeting held on May 28, 2025 approved the re-appointment of Smt. Reena Agarwal as Whole time Director, designated as Executive Director of the Company for a further period of three years with effect from August 01, 2025 on terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee.

The material terms of her re-appointment are as under:

- 1) **Term:** August 01, 2025 to July 31, 2028
- 2) **Remuneration:**
  - a) **Salary:** ₹8,00,000/- (Rupees Eight Lakhs only) per month with the power to the Board of Directors to increase from time to time within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
  - b) **Performance Incentive:** As may be decided by the Board, within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
  - c) **Commission:** Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
  - d) **Perquisites:**
    - i) Rent free furnished accommodation or house rent allowance;
    - ii) Reimbursement of expenses on actuals pertaining to electricity, gas, water, and telephone;
    - iii) Chauffeur driven car for official use;
    - iv) Reimbursement of all medical expenses incurred for self and family at actuals;

- v) Reimbursement of club membership fees for maximum two clubs and all reasonable expenses incurred for business use;
- vi) Leave Travel Expenses for self and family in accordance with the policy of the Company
- vii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- viii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- ix) Leave encashment as per Company policy.
- x) Any other perks and benefits including but not restricted to salary loan as extended to senior employees of the Company.

The total salary, performance incentive, perquisites and commission per annum to be within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.

Where in any financial year during the currency of the tenure of Smt. Reena Agarwal, the Company has made no profits or its profits are inadequate, the Company shall pay to the Executive Director, the above remuneration (excluding commission) as Minimum Remuneration.

Smt. Reena Agarwal shall not as long as she is the Executive Director, be entitled to any fees for attending meetings of the Board or a Committee thereof.

Smt. Reena Agarwal has not been debarred or disqualified by SEBI or any other authority from acting as a Director. Her brief resume, the nature of her expertise in specific functional areas, names of companies in which she holds Directorship, Committee Memberships/ Chairmanships, her shareholding etc., are separately annexed hereto.

The re-appointment and payment of remuneration to Smt. Reena Agarwal is subject to the approval of shareholders.

Further as per Regulation 17(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the payment of annual remuneration to Promoter Executive Director which exceeds ₹5 crores or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity shall require the approval of shareholders by way of a Special Resolution.

Accordingly, the necessary Special Resolution for re-appointment of Smt. Reena Agarwal as Executive Director and payment of remuneration is set out at item no. 4 of the Notice.

Smt. Reena Agarwal is interested in resolutions at item no. 4 which pertains to her appointment and remuneration payable to her. Shri R N Agarwal, Managing Director, Shri Raunak Agarwal, Executive Director and Shri Rohan Agarwal, Executive Director & CEO of the Company may be deemed to be interested in the said resolution as they are relatives of Smt. Reena Agarwal

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at item no. 4 for approval by the members.

Additional Information as required under Part II of Section II of Schedule V of the Companies Act, 2013 is annexed.

Further, Information as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is also annexed.

## ITEM NO. 5

The Board of Directors of the Company at its meeting held on May 28, 2025 approved the re-appointment of Shri Raunak Agarwal as Whole time Director, designated as Executive

Director of the Company for a further period of three years with effect from August 01, 2025 on terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee.

The material terms of his re-appointment are as under:

1) **Term:** August 01, 2025 to July 31, 2028

2) **Remuneration:**

- e) **Salary:** ₹10,00,000/- (Rupees Ten Lakhs only) per month with the power to the Board of Directors to increase from time to time within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
- f) **Performance Incentive:** As may be decided by the Board, within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
- g) **Commission:** Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
- h) **Perquisites:**
  - i) Rent free furnished accommodation or house rent allowance;
  - ii) Reimbursement of expenses on actuals pertaining to electricity, gas, water, and telephone;
  - iii) Chauffeur driven car for official use;
  - iv) Reimbursement of all medical expenses incurred for self and family at actuals;
  - v) Reimbursement of club membership fees for maximum two clubs and all reasonable expenses incurred for business use;
  - vi) Leave Travel Expenses for self and family in accordance with the policy of the Company
  - vii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

- viii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- ix) Leave encashment as per Company policy.
- x) Any other perks and benefits including but not restricted to salary loan as extended to senior employees of the Company.

The total salary, performance incentive, perquisites and commission per annum to be within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.

Where in any financial year during the currency of the tenure of Shri Raunak Agarwal, the Company has made no profits or its profits are inadequate, the Company shall pay to the Executive Director, the above remuneration (excluding commission) as Minimum Remuneration.

Shri Raunak Agarwal shall not as long as he is the Executive Director, be entitled to any fees for attending meetings of the Board or a Committee thereof.

Shri Raunak Agarwal has not been debarred or disqualified by SEBI or any other authority from acting as a Director. His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto.

The re-appointment and payment of remuneration to Shri Raunak Agarwal is subject to the approval of shareholders.

Further as per Regulation 17(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the payment of annual remuneration to Promoter Executive Director which exceeds ₹5 crores or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity shall require the approval of shareholders by way of a Special Resolution.

Accordingly, the necessary Special Resolution for re-appointment of Shri Raunak Agarwal as Executive Director and payment of remuneration is set out at item no. 5 of the Notice.

Shri Raunak Agarwal is interested in resolutions at item no. 5 which pertains to his appointment and remuneration payable to him. Shri R N Agarwal, Managing Director, Smt. Reena Agarwal, Executive Director and Shri Rohan Agarwal, Executive Director and CEO of the Company may be deemed to be interested in the said resolution as they are relatives of Shri Raunak Agarwal

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at item no. 5 for approval by the members.

Additional Information as required under Part II of Section II of Schedule V of the Companies Act, 2013 is annexed.

Further, Information as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is also annexed.

## ITEM NO. 6

The Board of Directors of the Company at its meeting held on May 28, 2025 approved the re-appointment of Shri Rohan Agarwal as Whole time Director, designated as Executive Director & CEO of the Company for a further period of three years with effect from November 04, 2025 on terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and Audit Committee.

The material terms of his re-appointment are as under:

- 1) **Term:** November 04, 2025 to November 03, 2028
- 2) **Remuneration:**
  - i) **Salary:** ₹10,00,000/- (Rupees Ten Lakhs only) per month with the power to the Board of Directors to increase from time to time within the overall

maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.

- j) **Performance Incentive:** As may be decided by the Board, within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
- k) **Commission:** Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board within the overall maximum managerial remuneration limits of 17% of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.
- l) **Perquisites:**
- i) Rent free furnished accommodation or house rent allowance;
  - ii) Reimbursement of expenses on actuals pertaining to electricity, gas, water, and telephone;
  - iii) Chauffeur driven car for official use;
  - iv) Reimbursement of all medical expenses incurred for self and family at actuals;
  - v) Reimbursement of club membership fees for maximum two clubs and all reasonable expenses incurred for business use;
  - vi) Leave Travel Expenses for self and family in accordance with the policy of the Company
  - vii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
  - viii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
  - ix) Leave encashment as per Company policy.
  - x) Any other perks and benefits including but not restricted to salary loan as extended to senior employees of the Company.

The total salary, performance incentive, perquisites and commission per annum to be within the overall maximum managerial remuneration limits of 17%

of net profits computed in manner as laid down in Section 198 of Companies Act, 2013.

Where in any financial year during the currency of the tenure of Shri Rohan Agarwal, the Company has made no profits or its profits are inadequate, the Company shall pay to the Executive Director, the above remuneration (excluding commission) as Minimum Remuneration.

Shri Rohan Agarwal shall not as long as he is the Executive Director, be entitled to any fees for attending meetings of the Board or a Committee thereof.

Shri Rohan Agarwal has not been debarred or disqualified by SEBI or any other authority from acting as a Director. His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto.

The re-appointment and payment of remuneration to Shri Rohan Agarwal is subject to the approval of shareholders.

Further as per Regulation 17(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the payment of annual remuneration to Promoter Executive Director which exceeds ₹5 crores or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity shall require the approval of shareholders by way of a Special Resolution.

Accordingly, the necessary Special Resolution for re-appointment of Shri Rohan Agarwal as Executive Director and payment of remuneration is set out at item no. 6 of the Notice.

Shri Rohan Agarwal is interested in resolutions at item no. 6 which pertains to his appointment and remuneration payable to him. Shri R N Agarwal, Managing Director, Smt. Reena Agarwal, Executive Director and Shri Raunak Agarwal, Executive Director of the Company may be deemed to be interested in the said resolution as they are relatives of Shri Rohan Agarwal

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at item no. 6 for approval by the members.

Additional Information as required under Part II of Section II of Schedule V of the Companies Act, 2013 is annexed.

Further, Information as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is also annexed.

## ITEM NO. 7

Pursuant to the amended provisions of Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on May 28, 2025 have approved and recommended the appointment of **M/s. Parikh & Associates**, Peer Reviewed Firm of Company Secretaries in Practice ('Secretarial Audit Firm') (ICSI Firm Registration Number: P1988MH009800) as Secretarial Auditors of the Company on the following terms and conditions:

- a) **Term of appointment:** 5 (Five) consecutive years commencing from financial year 2025-26 till financial year 2029-30.
- b) **Proposed Fees:** ₹1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for financial year ending March 31, 2026, and for subsequent year(s) of their term, such fee as maybe mutually agreed between /determined by the Board of Directors and the Secretarial Auditors/in consultation of the secretarial auditors.

The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by Shri R N Agarwal, Managing Director or Company

Secretary or Chief Financial Officer in consultation with the Secretarial Auditors.

- c) **Basis of recommendations:** The recommendations are based on evaluation and consideration of various factors such as industry experience, competency of the audit team, efficiency and quality in conduct of audit, independent assessment, etc.
- d) **Credentials:** The Secretarial Audit Firm, established in the year 1987, is a reputed firm of Practicing Company Secretaries with a legacy of excellence spanning over three decades. Renowned for its commitment to quality and precision, the firm has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices.
- e) **Consent and Eligibility:** The Secretarial Audit Firm has consented to their appointment and have confirmed that their appointment, if made, would be pursuant to Regulation 24A of SEBI Listing Regulations and that they are not disqualified to be appointed as the Secretarial Auditors in terms of the provisions of SEBI Listing Regulations. The Secretarial Audit Firm holds a valid Peer Review Certificate issued by ICSI.

None of the Director(s), Key Managerial Personnel(s) of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding, if any, in the Company.

The Board of Directors of the Company recommends the resolution set forth in item no. 7 of the Notice for approval of the members as an Ordinary Resolution

## ITEM NO. 8

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company's Paper and Paper Board Units at Vapi and Sarigam.

On the recommendation of the Audit Committee, the Board of Directors of the Company had approved the appointment of **M/s. V.J. Talati & Co.**, Cost Accountants as the Cost Auditor of the Company for the financial year 2024-25 at a remuneration of ₹1,00,000/- per annum plus applicable taxes and out of pocket expenses. The remuneration payable to Cost Auditors is required to be ratified by the shareholders

in accordance to the provisions of the Act and rule 14 of the rules.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in this resolution at item no. 8.

The Board recommends the Ordinary Resolution at item no. 8 of this Notice for approval by the members.

### ITEM NO. 9

For the purpose of ease of operations of business, improved access to key stakeholders, more cost-effective operations, compliance with local regulations, etc, the Board of Directors at its meeting held on May 28, 2025 considered and approved the proposal of shifting of registered office of the Company from State of Maharashtra to the State of Gujarat subject to approval of shareholders by way of a Special Resolution and subject to the approval of Central Government (powers delegated to Regional Director).

The shifting of registered office from one state to another state will result in alteration of the Clause II Memorandum of Association of the Company.

A Special Resolution at item no. 9 is therefore proposed under Section 12, 13 and other applicable provisions of the Companies Act, 2013, if any, for shifting of registered office of the Company from State of Maharashtra to the State of Gujarat and consequent alteration of Clause II of the Memorandum of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in this resolution at item no. 9.

The Board recommends the Special Resolution at item no. 9 of this Notice for approval by the members.

A copy of the amended Memorandum of Association will be made available for online inspection, at the request of the members during the AGM.

### ITEM NO. 10

As per the provisions of Section 94 and other applicable provisions of the Act, approval of the Members by way of a Special Resolution is required for the Company to have its Register of Members, the Register of Index of Debenture holders and other Registers, if any, copies of all Annual Returns prepared under Section 92 of the Act, together with the copies of the certificate and documents required

to be annexed thereto, to be kept at any place other than the Registered Office of the Company and/or at the office of Registrar and Share Transfer Agent, from time to time;

The Board recommends the Special Resolution set out at item no. 10 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in this resolution at item no. 10.

### ITEM NO. 11

The Board of Directors of the Company at its meeting held on August 13, 2025, approved to alter the Object Clause of the Memorandum of Association (MOA) of the Company by insertion of new clause 35A after the existing clause 35, in the Part (B) of the Memorandum of Association of the Company under the heading 'Incidental For Ancillary Objects To The Attainment Of The Main Object and to align it with the provisions of Companies Act, 2013.

In terms of Section 13 of the Companies Act, 2013, any alteration in the Object Clause of the Memorandum of Association requires approval of the shareholders by way of a Special Resolution and filing of the necessary forms with the Registrar of Companies (ROC).

A Special Resolution is therefore proposed at item no. 11 of the accompanying notice as required under Section 13 of the Companies Act, 2013.

A copy of the MOA & AOA of the Company with the proposed alteration is available open for inspection at the Registered Office of the Company during office hours on all days except Saturday, Sunday & Public holidays between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 11 in the notice.

### ITEM NO. 12

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 13, 2025, considered and recommended the candidature of Shri Mahendra Kumar Gupta (DIN: 10544135) as a Non-Executive Independent Director of the Company for a term of 5 years.

Shri Mahendra Kumar Gupta is a qualified Chartered Accountant with 30 years of experience in the field of

Fund Raising for Expansion/Projects/Working Capital/ Corporate funding, Strategic Business Planning, decision making on Products Pricing, Project Monitoring, ERP-SAP implementation, mapping of Internal Financial Controls, Income-Tax planning and regular assessments and GST compliances, Robust Compliance Management, etc.

The Nomination and Remuneration Committee and Board has identified the following skills/expertise/knowledge/ experience/competencies fundamental for the effective functioning of the Company, which are currently available with Shri Mahendra Kumar Gupta.

**Name of the Director:** Shri Mahendra Kumar Gupta

**Area of skills/expertise/ knowledge/experience/ competence:** Finance Professional

The Company has received a declaration from Shri Mahendra Kumar Gupta confirming that he meets the criteria of independence under the Companies Act, 2013 and Listing Regulations. Further, the Company has also received his consent to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

The Company has also received a notice in writing from a member proposing his candidature to be appointed as Director of the Company.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is independent of the management.

As per provisions of the Act and Listing Regulations, any appointment of an Independent director is subject to shareholders approval. A Special Resolution is therefore proposed at item no. 12 of this notice for approval of members to his appointment as an Independent Director of the Company.

Copy of draft letter of appointment setting out the terms and conditions of appointment is being made available for inspection, by the members.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Shri Mahendra Kumar Gupta himself is concerned or interested, financially or otherwise in this resolution at item no. 12 of this notice.

The Board recommends the Special Resolution set forth at item no. 12 for the approval of the members.

By order of the Board of Directors

Pooja Daftary  
Company Secretary  
ACS: 38024

**N R Agarwal Industries Limited**  
502-A/501-B, Fortune Terraces,  
New Link Road, Andheri (West),  
Mumbai - 400 053  
CIN: L22210MH1993PLC133365  
Tel. No. +91 (22) 67317500  
Email ID: [investors@nrail.com](mailto:investors@nrail.com)  
Website: [www.nrail.com](http://www.nrail.com)  
**Place:** Mumbai  
**Date:** August 13, 2025

## Additional information as required under Part II of Section II of Schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION				
(1)	Nature of Industry	Paper & Paper Products		
(2)	Date or expected date of commencement of commercial production	Date of Incorporation: 08.12.1993 Date of Commencement of Business: 20.12.1993		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
(4)	Financial Performance	2022-23 (₹)	2023-24 (₹)	2024-25 (₹)
	Turnover	17,44,57,33,265	12,82,99,00,202	16,38,11,27,272
	Net profit (as computed under Section 198)	1,63,39,83,106	1,49,63,11,823	15,95,62,193
	Net profit/ (Loss) as per profit and loss account	99,58,28,591	1,24,65,86,949	17,69,96,206
	Amount of Dividend paid	0	0	3,40,38,200
	Rate of Dividend declared	0	0	20% (dividend for the year 2023-24)
	Earnings before interest, depreciation & taxes	1,97,34,10,800	1,85,58,67,753	1,42,44,17,756
	% of EBIDTA to turnover	11.31	14.46	8.70
(5)	Export performance and net foreign exchange collaborations	2,41,46,95,000	1,42,51,71,793	2,80,01,11,180
(6)	Foreign investments or collaborators, if any.	-	-	-

II. INFORMATION ABOUT THE APPOINTEES				
		Reena Agarwal	Raunak Agarwal	Rohan Agarwal
(1)	Background Details			
a.	Designation	Executive Director	Executive Director	Executive Director & CEO
b.	Father/Husband's Name	Rajendra Agrawal	Rajendra Agrawal	Rajendra Agrawal
c.	Nationality	Indian	Indian	Indian
d.	Date of Birth	25.01.1967	07.12.1988	09.07.1992
e.	Qualifications	Graduate in Commerce	Graduate in Business Administration	Graduate in Business Administration
f.	Experience	Over two decades of experience in HR activities	Over one decade of experience in Paper Industry	Over one decade of experience in Paper Industry
(2)	Past remuneration <sup>1</sup>	₹2,44,53,508/- per annum	₹2,44,53,508/- per annum	₹2,44,53,508/- per annum
(3)	Recognition or awards	-	-	-

<sup>1</sup> Remuneration includes Salary, Perquisites and Commission

II. INFORMATION ABOUT THE APPOINTEES (Contd)				
		Reena Agarwal	Raunak Agarwal	Rohan Agarwal
(4)	Job profile and suitability	<p>Smt. Reena Agarwal is heading the HR activities, employees development and corporate affairs.</p> <p>Considering the above and having regard to her qualifications, ability and experience and looking to the business requirement, the proposed remuneration is considered reasonable.</p>	<p>Shri Raunak Agarwal shall be responsible for the marketing activities and do all acts and things, which, in the ordinary course of business, are considered necessary or proper in the interest of the Company.</p> <p>Considering the above and having regard to his qualifications, ability and experience and looking to the business requirement, the proposed remuneration is considered reasonable.</p>	<p>Shri Rohan Agarwal shall be responsible for Company's operations, including strategic purchasing, project management, and IT operations.</p> <p>Considering the above and having regard to his qualifications, ability and experience and looking to the business requirement, the proposed remuneration is considered reasonable.</p>
(5)	Remuneration proposed	₹96,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.	₹1,20,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.	₹1,20,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t the country of his origin)	Compared to the industry average and the size of the Company, the remuneration proposed to be paid is reasonable.	Compared to the industry average and the size of the Company, the remuneration proposed to be paid is reasonable.	Compared to the industry average and the size of the Company, the remuneration proposed to be paid is reasonable.

II. INFORMATION ABOUT THE APPOINTEES (Contd)				
		Reena Agarwal	Raunak Agarwal	Rohan Agarwal
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	<p>In addition to the remuneration payable to her as Executive Director, she is also the Promoter of the Company and a relative of Shri Raunak Agarwal, Shri Rohan Agarwal and Shri R N Agarwal, Executive Directors and Promoters of the Company.</p> <p>Additionally, Smt. Natasha Agarwal, wife of Shri Raunak Agarwal (Executive Director and Promoter) and Smt. Anuvaa Agarwal, wife of Shri Rohan Agarwal (Executive Director &amp; CEO and Promoter) hold place of profit in the Company as Manager-Product Development and Manager- Human Resource respectively.</p>	<p>In addition to the remuneration payable to him as Executive Director, he is also the Promoter of the Company and a relative of Shri R N Agarwal, Shri Rohan Agarwal and Smt. Reena Agarwal, Executive Directors and Promoters of the Company.</p> <p>Additionally, Smt. Natasha Agarwal, wife of Shri Raunak Agarwal hold place of profit in the Company as Manager-Product Development.</p>	<p>In addition to the remuneration payable to him as Executive Director &amp; CEO, he is also the Promoter of the Company and a relative of Shri Raunak Agarwal, Shri R N Agarwal and Smt. Reena Agarwal, Executive Directors and Promoters of the Company.</p> <p>Additionally, Smt. Anuvaa Agarwal, wife of Shri Rohan Agarwal hold place of profit in the Company as Manager-Human Resource.</p>
III. OTHER INFORMATION				
(1)	Reasons of loss or inadequate profits	<p>At present, the Company is having adequate profits. However, the appointment is for a term of three years commencing August 01, 2025 and November 04, 2025 and the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole and Paper Industry in particular and other relevant factors. Therefore, the limits specified under Section 197(1) read with Schedule V of the Act and Listing Regulations, may exceed during the term of appointment.</p>		
(2)	Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms	<p>The Company is continually taking several initiatives in all spheres of its operations which, inter alia, include increasing the installed capacity by setting up new plants, product innovation, launch of value added products, improvement of efficiency parameters, cost reduction, increasing market share of its products and building a formidable branding position by continually increasing its distribution network.</p>		
IV DISCLOSURES				
<p>Details such as remuneration, service contract, notice period etc. of the Directors have been disclosed in the Corporate Governance Report. The Company has not granted any stock options to its Directors.</p>				

Information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India

Particulars	Reena Agarwal	Raunak Agarwal	Rohan Agarwal	Mahendra Kumar Gupta
Age	58	36	33	59
Date of Appointment	08.08.2014	01.09.2009	01.11.2019	24.09.2025
Qualification	Graduate in Commerce	Graduate in Business Administration	Graduate in Business Administration	Qualified Chartered Accountant
Expertise/ Experience/ Skills/ Capabilities in specific functional area	Over two decades of experience in HR activities	Over 15 years of experience in Paper Industry	Over one decade of experience in Paper Industry	30 years of experience in the field of Fund Raising for Expansion/Projects/ Working Capital/ Corporate funding, Strategic Business Planning, decision making on Products Pricing, Project Monitoring, ERP-SAP implementation, mapping of Internal Financial Controls, Income-Tax planning and regular assessments and GST compliances, Robust Compliance Management, etc.
Directorships in other companies	1. Reera Holdings Private Limited 2. R N Corp Private Limited	1. Reera Holdings Private Limited 2. R N Corp Private Limited	1. Reera Holdings Private Limited 2. R N Corp Private Limited	Millenium Automation Limited
Resignation from listed entities in the last three years	NIL	NIL	NIL	NIL
Memberships/ Chairmanships of Committees in other Companies	NIL	NIL	NIL	NIL

Particulars	Reena Agarwal	Raunak Agarwal	Rohan Agarwal	Mahendra Kumar Gupta
No. of shares held in the Company	45,38,861	1,000	1,000	NIL
Relationship between Directors inter-se and the KMPs	Smt. Reena Agarwal is related to Shri R N Agarwal, Shri Raunak Agarwal and Shri Rohan Agarwal, Executive Directors and Promoters of the Company	Shri Raunak Agarwal is related to Shri R N Agarwal, Smt. Reena Agarwal and Shri Rohan Agarwal, Executive Directors and Promoters of the Company	Shri Rohan Agarwal is related to Shri R N Agarwal, Shri Raunak Agarwal and Smt. Reena Agarwal, Executive Directors and Promoters of the Company	There is no inter-se relationship between Shri Mahendra Kumar Gupta, other members of the Board and Key Managerial Personnel of the Company
Number of Board meetings attended during FY 2024-25	4	4	4	Not Applicable
Remuneration last drawn <sup>1</sup>	₹2,44,53,508/- per annum	₹2,44,53,508/- per annum	₹2,44,53,508/- per annum	Not Applicable
Remuneration sought to be paid	₹96,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.	₹1,20,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.	₹1,20,00,000/- per annum as salary plus perquisites and commission as approved by the shareholders in the ensuing annual general meeting.	He is entitled for Sitting Fees only

<sup>1</sup>Remuneration includes Salary, Perquisites and Commission

# Director's Report

*To the members*

Your Directors are pleased to present the 32<sup>nd</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2025.

## Financial Results

Particulars	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operations and Other Income	1,69,042.83	1,30,075.14
Finance Costs	6,091.19	1,054.19
Other Expenses	1,54,798.66	1,11,516.46
<b>Profit after Finance Costs and Other Expenses but before Depreciation and Taxation</b>	<b>8,152.98</b>	<b>17,504.49</b>
Depreciation	6,557.36	3,741.27
<b>Profit before Tax</b>	<b>1,595.62</b>	<b>13,763.22</b>
Provisions for Taxation	(701.59)	2,232.07
Deferred Tax	532.11	(1,015.14)
<b>Net Profit for the year</b>	<b>1,765.10</b>	<b>12,546.29</b>
Other Comprehensive Income (Net of Tax)	4.86	(80.42)
<b>Total Comprehensive Income</b>	<b>1,769.96</b>	<b>12,465.87</b>

## State of Company's Affairs

The Company reported a revenue of ₹1659.03 cr for the financial year, as against ₹1293.38 cr in the previous year, reflecting a growth of 28.27%, primarily driven by production from the new Duplex Board Plant.

However, an increase in the cost of production, along with a reduction in the selling prices of both paper and paperboard, led to a decline in EBITDA, from ₹185.59 cr to ₹142.44 cr. Additionally, Net Profit After Tax decreased significantly from ₹125.46 cr to ₹17.65 cr, primarily due to higher interest expenses on project-related loans.

The total production during the year was 384880 MT, compared to 248694 MT in the previous year, despite the stoppage of production at Unit-4 from June 28, 2024. As a result, production from Unit-4 declined to 12027 MT, from 47778 MT in the previous year. On the other hand, production from the new Duplex Board Plant increased significantly to 149885 MT, as against 93 MT in the previous year.

## Project

The Company commissioned a 240000 TPA Duplex Board Plant on March 14, 2024. The plant has since been fully stabilized, and the quality of the board has been well received in the market. Additionally, the Company has undertaken a balancing program aimed at increasing the capacity of the Pulp Mill and upgrading converting sections, with a planned investment of ₹150 cr. This project is expected to be completed by September 2025.

## Transfer to reserves

There was no transfer made to the General Reserve.

## Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company (the

'Board') formulated and adopted the Dividend Distribution Policy (the 'Policy'). The Policy is available on our website at [https://nrail.com/company\\_policies.html](https://nrail.com/company_policies.html)

## Dividend

Your Directors are pleased to recommend a dividend of ₹2/- per share (i.e. 20%) on equity shares of the Company of 10/- each for the year ended March 31, 2025. If the dividend, as recommended above, is declared by the members at the ensuing Annual General Meeting ('AGM'), the total outflow towards dividend on Equity Shares for the year would be ₹3.40 Crores.

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy.

## Change in Nature of Business

There is no change in the nature of business of the Company during the financial year ended March 31, 2025.

## Material Changes and Commitments affecting financial position of the Company occurred between March 31, 2025 and date of this report

There are no material changes and commitments which affected the financial position of the Company between March 31, 2025 and date of this report.

## Number of Meetings of the Board of Directors

There were four meetings of the Company's Board of Directors during the financial year 2024-25. The time gap between the meetings of Board was within the period prescribed under the Companies Act, 2013 and the SEBI Listing Regulations except between the Board Meetings held on January 22, 2024 and May 27, 2024, where it exceeded the time gap. The stock exchanges levied fine of ₹10,000/- on the Company in this regard and the Company has paid the fine so levied.

## Credit Rating

The current credit rating of the Company has been re-affirmed to a long-term rating of [ICRA] A (pronounced ICRA A) and short-term rating of [ICRA] A1 (pronounced ICRA A one) with increase in rated amount from ₹775.00 cr to ₹955.64 cr.

## Directors and Key Managerial Personnel

Shri R N Agarwal (DIN: 00176440) was re-appointed as Managing Director of the Company for a further period of

3 (three) years with effect from August 01, 2024 to July 31, 2027 which was approved by the members at the Annual General Meeting held on August 22, 2024.

Shri P Kumar (DIN: 00179074) and Shri C R Radhakrishnan (DIN: 01309312) ceased as Independent Directors of the Company from close of business hours of September 20, 2024 and the Board places on record its appreciation for their contribution towards the growth of the Company during their tenure.

Shri S N Chaturvedi (DIN: 00553459) ceased as Independent Director of the Company from close of business hours of October 21, 2024 and the Board places on record its appreciation for his contribution towards the growth of the Company during his tenure.

Shri Sanjay Sinha (DIN: 08253225) and Shri Neeraj Golas (DIN: 06566069) were appointed as an Independent Directors of the Company for a period of 5 years with effect from August 22, 2024 on the approval of members in the previous Annual General Meeting. In the opinion of the Board, Shri Sanjay Sinha and Shri Neeraj Golas possess necessary integrity, expertise and experience (including the proficiency) which will be beneficial for the Company's growth.

Smt. Sunita Nair (DIN: 08701609) was re-appointed as an Independent Director of the Company for a further period of 5 years with effect from April 01, 2025 on the approval of members in the previous Annual General Meeting. In the opinion of the Board, Smt. Sunita Nair possesses necessary integrity, expertise and experience (including the proficiency) which will be beneficial for the Company's growth.

Shri Raunak Agarwal, (DIN: 02173330) Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment in terms of the provisions of Section 152 of the Companies Act, 2013.

The Board of Directors of the Company has proposed the re-appointment of Smt. Reena Agarwal (DIN: 00178743) as Executive Director of the Company for a further period of 3 years with effect from August 01, 2025 at the ensuing Annual General Meeting. The necessary Special Resolution for re-appointment of Smt. Reena Agarwal as Executive Director of the Company has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with brief details about her.

The Board of Directors of the Company has proposed re-appointment of Shri Raunak Agarwal (DIN: 02173330) as Executive Director of the Company for a further period of 3

years with effect from August 01, 2025 at the ensuing Annual General Meeting. The necessary Special Resolution for re-appointment of Shri Raunak Agarwal as Executive Director of the Company has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with brief details about him.

The Board of Directors of the Company has proposed re-appointment of Shri Rohan Agarwal (DIN: 08583011) as Executive Director of the Company for a further period of 3 years with effect from November 04, 2025 at the ensuing Annual General Meeting. The necessary Special Resolution for re-appointment of Shri Rohan Agarwal as Executive Director of the Company has been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with brief details about him.

There has been no other change with respect to the Directors and Key Managerial Personnel during the financial year 2024-25.

### Independent Directors' Declaration

The Company has received declarations from all Independent Directors that they meet the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations as amended from time to time and there has been no change in the circumstances which may affect their status as Independent Director during the year. In the opinion of the Board, the Independent Directors possess appropriate balance of skills, experience and knowledge, as required. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### Audit Committee

The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. There have been no instances of non-acceptance of any recommendation of the Audit Committee.

The Committee members met four times during the year under review. Details of the meetings are given in the Corporate Governance Report including the Committee's composition.

### Vigil Mechanism/ Whistle Blower Policy

The Company has adopted a Whistle Blower Policy dealing with any instance of fraud or any unethical or improper practices. The policy is available on the Company's website. A copy of this policy prescribes adequate safeguards against the victimization of employees who avail the mechanism and also provide direct access to the Audit Committee Chairman. It is affirmed that no Company personnel has been denied access to the Audit Committee. The Whistle Blower Policy (Vigil Mechanism) is uploaded on the Company's website at [https://nrail.com/company\\_policies.html](https://nrail.com/company_policies.html)

### Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee is responsible for developing the competency requirements of the Board, based on the industry and the Company's individual strategy. The Board's Composition Analysis reflects an in-depth understanding of the Company's strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board, on a periodic basis, inter-alia on a Director's appointment or re-appointment, which is envisaged every time. The Committee is also responsible for reviewing and vetting the CVs of potential candidates' vis-à-vis the requisite competencies and meeting potential candidates prior to making nomination recommendations to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

### Criteria for Determining Qualifications, Positive Attributes & Independence of a Director

The Nomination and Remuneration Committee has, besides the requisite qualifications & experience formulated the criteria for determining positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

**Independence:** A Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 16(1)(b) of the Listing Regulations.

**Other factors:** A transparent Board nomination process is in place that encourages thought, experience, knowledge,

perspective, age and gender diversity. It is also ensured that the Board has an appropriate blend of functional and industrial expertise. While recommending Director Appointments, the Nomination and Remuneration Committee considers the manner in which the individual function and domain expertise will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong inter-personal relations and communication skills besides soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

### Remuneration Policy

The Company has adopted the Nomination and Remuneration Committee Charter which includes the Company's policy on Directors' appointment and remuneration besides the criteria for determining the qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, 2013 and SEBI Regulations.

Pursuant to Section 178(4) of the Companies Act, 2013 and SEBI Regulations, the Company also adopted remuneration policy relating to remuneration for the Directors, Key Managerial Personnel and Senior Executives. The remuneration policy is attached as **Annexure 1** and is also available on Company's website [http://www.nrail.com/company\\_policies.html](http://www.nrail.com/company_policies.html).

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations, the Board has carried out the annual performance evaluation of its own performance as well as the evaluation of the working of its Committees. The criteria for performance evaluation of the Board and Committees included aspects such as composition, structure, effectiveness of Board and Committee processes, etc.

A separate exercise was carried out to evaluate individual Directors' performance including that of the Chairman & Managing Director and also the Whole time Directors, who were evaluated on parameters such as engagement level, contribution, independence of judgment, safeguarding the Company interests and its minority shareholders etc.

A separate meeting of Independent Directors to review the performance of Non-Independent Directors, Committees, Board, and the Chairman was held on February 11, 2025.

The Board of Directors expresses its satisfaction with the evaluation process.

### Directors' Responsibility Statement

The Directors hereby confirm and declare that:-

- (i) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- (ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended March 31, 2025 and of the profit of the Company for the year;
- (iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they had prepared the annual accounts on a going concern basis;
- (v) they had laid down internal financial controls to be followed by the Company and such controls are adequate and operating efficiently;
- (vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating efficiently.

### Internal Control over Financial Reporting

The Company has, in place, adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The report on the Internal Financial Control issued by the Statutory Auditors of the Company under the provisions of Companies Act, 2013 is given elsewhere in the report.

### Details of Subsidiaries/ Joint ventures/ Associates

The Company does not have any subsidiary/ joint ventures/ associates.

## Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website on [https://nrail.com/compliance\\_reports.html](https://nrail.com/compliance_reports.html)

## Auditors' and Auditors' Report

### a. Statutory Auditors

M/s. GMJ & Co., Chartered Accountants, (Firm Registration No. 103429W) have been appointed as the Statutory Auditors of the Company for a second term of five years at the Annual General Meeting ("AGM") of the Company held on September 29, 2022, to hold office till the conclusion of the 34<sup>th</sup> AGM of the Company to be held in the year 2027. M/s. GMJ & Co., Chartered Accountants, have submitted a certificate confirming that their appointment is in accordance with Section 139 read with Section 141 of the Act.

The Auditors' Report for the financial year ended March 31, 2025 does not contain any qualification, reservation or adverse remark.

During the year under review, there were no instances of fraud reported by the auditors, under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

### b. Secretarial Auditors

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Parikh & Associates, Practising Company Secretaries for the financial year 2024-25, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure 2**.

The Secretarial Audit Report for the financial year ended March 31, 2025 does not contain any qualification, reservation or adverse remark. The comments made by the Secretarial Auditors in their report is self explanatory.

In compliance with Regulation 24A of the SEBI Listing Regulations, the Board at its meeting held on May 28, 2025, and based on the recommendation of the Audit Committee, has approved the appointment of Parikh & Associates, Practising Company Secretaries, a peer reviewed firm (Firm Registration No. P1988MH009800)

as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the members at the ensuing AGM.

### c. Cost Auditors and Maintenance of Cost Records

M/s V. J. Talati & Co., Cost Accountants, had been appointed to conduct Cost Audits for all the units of the Company for the year ending March 31, 2025 in terms of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014 and, as required, Cost Audit Report for the financial year 2023-24 was duly filed with Ministry of Corporate Affairs, Government of India on August 21, 2024.

The Cost Audit of the Company for the financial year ended March 31, 2025 shall be conducted by the said firm and the report shall be filed with the Ministry of Corporate Affairs within the prescribed timelines.

## Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in **Annexure 3** attached and forms part of this Report.

## Particulars of Employees & Related Disclosures

The information required under Section 197(12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished in **Annexure 4**.

The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of the first proviso to Section 136 of the Act, the report and accounts are being sent to the shareholders excluding the aforesaid Annexure. Any shareholder interested in obtaining the same may write to the Company Secretary at the registered office of the Company.

## Public Deposits

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2025.

## Significant and Material Orders passed by the Regulators

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

## Particulars of Loans, Guarantees, Securities or Investments

Particulars of loans, guarantees given and investments made or securities provided during the year under review in accordance with Section 186 of the Act are stated in the Notes to Accounts which forms part of this Annual Report.

## Related Party Transactions

'Particulars of transactions with Related Parties' pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and the same forms part of this report as **Annexure 5**.

There are no materially significant related party transactions made by the Company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the Company at large.

The Board of Directors have approved a policy on related party transactions which is placed on the Company's website at the web link: [https://nrail.com/company\\_policies.html](https://nrail.com/company_policies.html)

## Risk Management

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and relevant provisions of Listing Regulations, the Company has adopted Risk Management Policy for identification and implementation of Risk Mitigation Plan for the Company. The Company has laid down appropriate procedures to inform the Board about the risk assessment and minimization procedures. The Board periodically revisits and reviews the overall risk management plan for making desired changes in response to the dynamics of the business.

## Corporate Social Responsibility (CSR) Initiatives

Section 135 of the Companies Act, 2013 mandates every Company having a minimum net worth threshold limit, turnover or net profit, as prescribed, to constitute a Corporate Social Responsibility Committee, formulating a Corporate Social Responsibility Policy that shall indicate activities to be undertaken by the Company as specified in

Schedule VII to the Companies Act, 2013 and duly approved by the Board as well as fix the amount of expenditure to be incurred on the activities and monitor the CSR Policy from time to time.

In accordance with the applicable laws, the Company has constituted a CSR Committee of the Board and formulated a CSR Policy. The focus areas of CSR Policy are education, preventive health care, sanitation, environment and engagement. During the financial year 2024-25, the Company has spent a total amount of ₹1.62 cr towards CSR initiatives.

The CSR Report, forming part of this Report, is furnished in **Annexure 6**.

## Corporate Governance & Management Discussion & Analysis

The Corporate Governance Report and Management's Discussion & Analysis Report and the Auditor's Certificate regarding compliance with conditions of Corporate Governance, forms part of the Annual Report.

## Listing Fees

The Company has paid the listing fees to BSE and NSE for the financial years 2024-25 and 2025-26

## Insider Trading Regulations and Code of Disclosure

The Board of Directors have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 which is available on our website at the web link [https://www.nrail.com/company\\_policies.html](https://www.nrail.com/company_policies.html).

## Secretarial Standards

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

## Human Resources

There is a continuous effort to improve the working environment with focus on employee well-being and capability building to enable them to perform at their best

for the Company. The Company develops leaders at global platforms at regular intervals as a part of its commitment to engage and retain talent. The Company offers robust leadership development efforts to hone employee skills and help keep the Company ahead of the curve.

People are the real strength of the Company while pursuing best-in-class performance. The Company is significantly increasing investment in its employees with training and development. NRAIL invests in training and knowledge at all levels in order to align employees with requirements on safety, customer support, market needs, operational excellence, technology upgradation, process improvements, innovation and behavioral competencies.

### **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company has not received any complaint of sexual harassment during the financial year 2024-25.

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under POSH Act.

### **Whole Time Director & Chief Financial Officer Certification**

In terms of Regulation 17(8) of Listing Regulations, the Company has obtained compliance certificate from the Whole time Director and Chief Financial Officer.

### **Insolvency and Bankruptcy**

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

**The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.**

During the financial year under review, there has been no incident of one time settlement for loan taken from the banks of financial institutions and hence not being commented upon.

### **Acknowledgements**

Your Directors place on record their deep appreciation of the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader. Your Directors also take this opportunity to thank all the Shareholders, Clients, Dealers, Vendors, Banks, Government and Regulatory Authorities for their continued support and confidence in the Company's Management.

On behalf of the Board of Directors

Place: Mumbai  
Date: May 28, 2025

R N Agarwal  
Chairman & Managing Director  
DIN: 00176440

## Annexure - 1

# Remuneration Policy

### Policy on Remuneration of Directors, Key Managerial Personnel and Senior Management

#### 1.01 Guiding Principles:

- (i) The terms of employment and remuneration of the Managing Director (MD), Whole time Director (WTD), Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) shall be competitive in order to ensure that the Company can attract and retain competent talent.
- (ii) The remuneration policy shall ensure that:
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and SMPs of the quality required to run the Company successfully.
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - (c) remuneration to Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company.
  - (d) remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- (iii) While determining the remuneration and incentives for the MD/ WTD and KMPs, the following shall be considered:
  - (a) pay and employment conditions with peers / elsewhere in the competitive market
  - (b) benchmarking with the industry practices
  - (c) performance of the individual
  - (d) company performance
- (iv) For benchmarking with industry practice, criteria of size, complexity, data transparency and geographical area shall also be given due consideration.

- (v) The pay structures shall be appropriately aligned across levels in the Company.

#### 1.02 Remuneration Policy:

##### (1) SMPs & KMPs (other than MD/WTD):

- (i) Remuneration packages shall be designed in such manner that:
  - (a) motivates delivery of key business strategies, creates a strong performance-orientated environment and rewards achievement of the Company's objectives & goals over the short and long-terms.
  - (b) attracts high-flyer executives in a competitive global market and remunerates executives fairly and responsibly.
- (ii) Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits such as retiral benefits, health care insurance and hospitalization benefits, telephone reimbursement etc.
- (iii) Remuneration shall be evaluated annually and annual increase shall be decided considering the performance of the individual and that of the Company. Industry practices/ trends shall also be given due consideration.
- (iv) Remuneration can be reset at any time considering the benchmark of international and domestic companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from internationally recognized compensation service consultancies.
- (v) The remuneration to be paid to the KMPs viz. Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) or SMPs,

shall be recommended by the Nomination and Remuneration Committee (NRC) considering relevant qualification and experience of the individual as well as the prevailing market condition.

- (vi) The NRC may consider granting Stock Options to KMPs & SMPs pursuant to any Stock Option Plan adopted by the Company, if any.

## **(2) MD/WTD:**

- (i) Remuneration to the MD and WTD shall be proposed by the NRC and subsequently approved by the Board of Directors and the shareholders of the Company, whenever required.
- (ii) Remuneration shall be evaluated annually against performance and benchmarks of international and domestic companies, which are similar in size and complexity. Benchmark information shall be obtained from internationally recognized compensation service consultancies.
- (iii) Total remuneration for the MD and WTD shall comprise of the following:
  - (a) Salary (both fixed & variable)
  - (b) Perquisites like house rent allowance, domiciliary medical expenses, club memberships, etc.
  - (c) Retirals made in accordance with applicable laws and policies of the Company.
  - (d) In addition, they shall also be entitled to a Performance Bonus linked to their individual performance and also the performance of the Company.
  - (e) It shall be ensured that the total remuneration payable to MD and WTD's shall be within the permissible limits of Section 197 read with Schedule V of the Companies Act, 2013.

## **(3) Non-Executive Directors (NEDs):**

- i) NEDs shall be entitled to such sitting fees as may be decided by the Board of Directors from time to time for attending the meetings of the Board and of the Committees thereof.
- ii) NEDs shall also be entitled for payment of commission, if any, as upto the limits permitted in Section 197 of the Companies Act, 2013 and approved by the shareholders from time to time.
- iii) Independent Directors shall not be eligible for Stock Options, pursuant to any Stock Option Plan adopted by the Company.
- iv) The NEDs shall be eligible for remuneration for professional services rendered, if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

### **1.03 Applicability:**

- i) This Remuneration Policy shall apply to all existing and future employment agreements with the Directors, KMPs & SMPs.
- ii) In all respects, the Remuneration Policy shall be subject to overall guidance of the Board of Directors. Any departure from the policy shall be approved by the Board.

### **1.04 Disclosures:**

The Company shall disclose in the Board's Report and the Financial Statements such particulars as are prescribed under the Companies Act, 2013 and rules made thereunder.

### **1.05 Dissemination:**

The Company's Remuneration Policy is published on its website at [https://www.nrail.com/company\\_policies.html](https://www.nrail.com/company_policies.html)

**Annexure – 2**  
**Form No. MR-3**  
**Secretarial Audit Report**

**for the financial year ended March 31, 2025**

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

To,  
The Members,  
N R AGARWAL INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by N R Agarwal Industries Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2025 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (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; and amendments from time

to time (Not applicable to the Company during the audit period)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company, namely:
  - 1. Factories Act, 1948
  - 2. Water (Prevention and Control of pollution) Act, 1974
  - 3. Environment (Protection) Act, 1986
  - 4. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - 5. Indian Boiler Act, 1923 and Regulation, 1950
  - 6. The Air (Prevention and Control of Pollution) Act, 1981 & the Rules made thereunder.

We have also examined compliance with the applicable clauses of the following which have been generally complied:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: Mumbai  
Date: May 28, 2025

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 was 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, decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period, the Company had no event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

We report that:

- i) The Company has paid the fine of ₹11,800/- each (including GST) to BSE Limited and National Stock Exchange of India Limited ("NSE") in respect of non-compliance of Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii) The Company has received warning letter from NSE for non-compliance with the provisions of Regulation 18(2) (a) of LODR, in respect of the gap between the meetings of Audit Committee exceeded 120 days.

For Parikh & Associates  
Company Secretaries

Signature:

J.U Poojari  
Partner

FCS No: 8102, CP No: 8187  
UDIN: F008102G000476031  
PR No.: 6556/2025

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

## Annexure - A

To,  
The Members,  
N R AGARWAL INDUSTRIES LIMITED

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

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

For Parikh & Associates  
Company Secretaries

Signature:

J.U Poojari  
Partner

FCS No: 8102, CP No: 8187

UDIN: F008102G000476031

PR No.: 6556/2025

Place: Mumbai  
Date: May 28, 2025

## **Annexure – 3**

# **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

### **A. Conservation of Energy**

#### **(i) Steps taken or impact on conservation of energy**

All the manufacturing facilities continued their efforts to reduce the specific and total energy consumption which are tracked on daily basis at individual factory level and also at consolidated level. Energy audits are conducted at all the manufacturing units at regular intervals and findings of the audit are implemented. Measures taken are summarized as below:

- Optimization of process and installing VFD to reduce power consumption;
- Installed ventury based steam trap system in process steam line;
- Mill wide replacement of conventional lights with LED lights for power saving;
- Replacing old motors with energy efficient motors;
- Replacing old pumps with energy efficient pumps and vacuum pumps.

#### **Process optimization and automation:**

Efforts have been put consistently to optimize the use of energy consumption in production processes and operation of utilities as per details below:

- Modification in suction press shower system to increase machine roll life;
- Optimization of steam and condensate recovery system to increase the condensate recovery and thus reduce steam consumption per ton of paper;
- Installation of high pressure showers to reduce the water consumption;
- Optimization of RO Plant to reduce the operation cost as well as to reduce the fresh water consumption;

- Installation of dewatering screw in fine screen rejects of DIP and same fibers are used in Board Unit.

#### **ii) Steps taken by the Company for utilizing alternate sources of energy:**

- Installation of Plastic Waste boiler having Capacity 34 TPH along with 7.6 MW turbine which is directly saving the coal from our existing AFBC boilers;
- Company is installed Sludge Drying System from drying Paper waste sludge through boiler Flue gas and dried sludge is having calorific value 1000 Kcal/kg which is used in boiler for saving coal.

#### **iii) Capital investment on energy conservation equipment's:**

- Installation of high pressure showers to reduce the fresh water consumption;
- Installation of Bailing press for removing moisture from plastic waste resulting in increased consumption in boiler and enhanced production of steam;
- Installation of Energy Efficient Turbine as existing Triveni make 5 MW turbine is replaced with Energy efficient turbine having capacity of 6.36 MW with Same Steam.

### **B. Technology Absorption:**

- (i) The efforts made towards technology absorption**  
- Nil
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution** - Nil

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

- **Details of technology imported:** The Company has not imported any technology during the last three financial years.
- **Year of import:** Not Applicable

- **Whether the technology has been fully absorbed:** Not Applicable
- **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

(iv) Expenditure incurred on Research and Development: Nil

### C. Foreign exchange earnings and outgo:

(₹ in lakhs)		
Particulars	2024-25	2023-24
Foreign exchange earnings	28,001.11	14,251.72
Foreign exchange outgo	46,558.79	46,240.73

On behalf of the Board of Directors

Place: Mumbai  
Date: May 28, 2025

R N Agarwal  
Chairman & Managing Director  
DIN: 00176440

## Annexure – 4

[Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

### A. The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(i)	The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	Shri R N Agarwal Chairman & Managing Director	99.14:1	
		Shri Raunak Agarwal Executive Director	20.52:1	
		Smt. Reena Agarwal Executive Director	20.52:1	
		Shri Rohan Agarwal Executive Director & CEO	20.52:1	
		Shri Praveen Kumar Mundra Executive Director & CFO	29.51:1	
(ii)	The percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year	Shri R N Agarwal Chairman & Managing Director	(16.86)%	(₹384.28 Lakhs in 2024-25 as against ₹462.22 Lakhs paid in 2023-24)
		Shri Raunak Agarwal Executive Director	(20.71)%	(₹79.54 Lakhs in 2024-25 as against ₹100.30 Lakhs in 2023-24)
		Smt. Reena Agarwal Executive Director	(20.71)%	(₹79.54 Lakhs in 2024-25 as against ₹100.30 Lakhs in 2023-24)
		Shri Rohan Agarwal Executive Director & CEO	(9.22)%	(₹79.54 Lakhs in 2024-25 as against ₹87.61 Lakhs in 2023-24)
		Shri Praveen Kumar Mundra Executive Director & CFO	95.83%	(₹114.39 Lakhs in 2024-25 as against ₹77.02 Lakhs in 2023-24)
		Ms. Pooja Daftary Company Secretary	5.67%	(₹22.91 Lakhs in 2024-25 as against ₹21.68 Lakhs in 2023-24)
(iii)	The percentage increase in the median remuneration of employees in the financial year;		16.72%	
(iv)	The number of permanent employees on the rolls of Company;		1432	

(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average increase in salary/wages of the employees was 12.80% (other than Managerial Personnel) as against an decrease of (8.85%) in the remuneration to managerial personnel.  Retention of talented technical and managerial personnel as per Remuneration Policy of the Company.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration has been paid as per the remuneration policy of the Company.

On behalf of the Board of Directors

Place: Mumbai  
Date: May 28, 2025

R N Agarwal  
Chairman & Managing Director  
DIN: 00176440

## Annexure – 5

### Form No. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 (Act) and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

#### 1. Details of contracts or arrangements or transactions not at Arm's Length basis:

Sl. No.	Particulars		
a)	Name(s) of the related party & nature of relationship	Ms. Natasha Agarwal a) Wife of Shri Raunak Agarwal, Executive Director and Promoter of the Company b) Daughter-in-law of Shri R N Agarwal, Chairman & Managing Director and Promoter and Smt. Reena Agarwal, Executive Director and Promoter of the Company	Ms. Anuvaa Agarwal a) Wife of Shri Rohan Agarwal, Executive Director, CEO and Promoter of the Company b) Daughter-in-law of Shri R N Agarwal, Chairman & Managing Director and Promoter and Smt. Reena Agarwal, Executive Director and Promoter of the Company
b)	Nature of contracts/ arrangements/ transaction	Appointment of a relative of Director to office or place of profit under Section 188 (1)(f) of the Act. Designation: Manager - Product Development	Appointment of a relative of Director to office or place of profit under Section 188 (1)(f) of the Act. Designation: Manager - Human Resource
c)	Duration of the contracts/ arrangements/ transaction	Full-time employee of the Company	Full-time employee of the Company
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Remuneration of ₹2,00,000/- per month.	Remuneration of ₹2,00,000/- per month.

Sl. No.	Particulars		
e)	Justification for entering into such contracts or arrangements or transactions	Ms. Natasha Agarwal has completed her Bachelors in Fine Arts from SAIC (School of the Art Institute of Chicago). She has a work experience of over 8 years in the field of interior designing and styling. Her expertise and experience would add value to the business of the Company	Ms. Anuvaa Agarwal has completed her Bachelors in Psychology, International Relations and Law (Bsc) from Brandeis University in Boston, Massachusetts, USA. She has previously worked with the Brookings Institution in Washington DC in their foreign policy and human rights department and up until recently in a private education consultancy firm in New Delhi, mentoring students in their higher academic pursuits from middle school to further education. In view of her personnel development skills, she has been appointed as Manager-Human Resource.
f)	Date of approval by the Board	28.07.2017 and 22.01.2024	25.05.2021
g)	Amount paid as advances, if any	Nil	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Not Applicable	Not Applicable

## 2. Details of material contracts or arrangements or transactions at arm's length basis: Nil

On behalf of the Board of Directors

Place: Mumbai  
Date: May 28, 2025

R N Agarwal  
Chairman & Managing Director  
DIN: 00176440

## Annexure – 6

# Annual Report on Corporate Social Responsibility Activities

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company

The Company intends to make a positive difference to the society and contribute its share towards the betterment of the area in which the Company operates. It recognizes that its business activities have wide impact on the areas in which it operates and therefore, an effective policy is required with due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The Company endeavors to make CSR a key business process for sustainable development. The Company's CSR initiatives focus on promoting education, preventive health care, sanitation, environmental sustainability and measures for benefit of villagers in rural areas of Vapi and Sarigam. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The CSR Policy as approved by the Board of Directors has been uploaded on the Company's website. The web link is: [https://nrail.com/company\\_policies.html](https://nrail.com/company_policies.html)

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri R K Bakshi*	Chairman-Independent Director	2	2
2.	Shri K L Chandak**	Member- Independent Director	2	1
3.	Smt. Reena Agarwal	Member-Executive Non Independent Director	2	2
4.	Shri P Kumar***	Chairman-Independent Director	2	1

\*Shri R K Bakshi was designated as Chairman of the Corporate Social Responsibility Committee of the Company with effect from August 23, 2024.

\*\*Shri K L Chandak was appointed as Member of Corporate Social Responsibility Committee of the Company with effect from August 23, 2024.

\*\*\*Shri P Kumar ceased as Chairman of Corporate Social Responsibility Committee of the Company from close of business hours of August 23, 2024.

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

CSR Committee - <https://www.nrail.com/committees.html>

CSR Policy - [http://nrail.com/company\\_policies.html](http://nrail.com/company_policies.html)

CSR Projects - [https://www.nrail.com/compliance\\_reports.html](https://www.nrail.com/compliance_reports.html)

### 4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable

5. (a) Average net profit of the Company as per Section 135(5) - ₹1,31,32,91,874/-  
 (b) Two percent of average net profit of the Company as per Section 135(5) - ₹2,62,65,837/-  
 (c) Surplus arising out of the CSR projects or programme or activities of the previous financial years - Not Applicable  
 (d) Amount required to be set off for the financial year, if any - ₹1,04,24,042/-  
 (e) Total CSR obligation for the financial year [(b)-(c+d)] - ₹1,58,41,795/-
6. (a) Details of CSR amount spent against other than ongoing projects for the financial year: ₹1,62,00,000/-  
 (b) Amount spent in Administrative Overheads: Nil  
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable  
 (d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹1,62,00,000/-  
 (e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹1,62,00,000/-	NIL	-	-	NIL	-

- (f) Excess amount for setoff, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	₹2,62,65,837/-
(ii)	Excess amount from previous financial years required to be set off for the financial year	₹1,04,24,042/-
(iii)	Total CSR obligation for the financial year [(i)-(ii)]	₹1,58,41,795/-
(iv)	Total amount spent for the financial year	₹1,62,00,000/-
(v)	Excess amount spent for the financial year [(iv)-(iii)]	₹3,58,205/-
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vii)	Amount available for set off in succeeding financial years [(v)-(vi)]	₹3,58,205/-

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

Sl No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in Rs)	Date of transfer	

Not Applicable

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

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

Not Applicable

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) - Not Applicable**

**On behalf of the Board of Directors**

Reena Agarwal  
Executive Director & Member  
- CSR Committee  
DIN: 00178743

R K Bakshi  
Independent Director &  
Chairman- CSR Committee  
DIN: 00264007

Place: Mumbai  
Date: May 28, 2025

# Report on Corporate Governance

## COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles, in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility.

In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below:

## BOARD OF DIRECTORS

### Composition & Attendance

The Board composition is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on March 31, 2025, the Board of Directors has an optimum combination of Executive and Non-Executive Directors. Shri R N Agarwal is the Promoter and the Chairman & Managing Director of the Company. The Board comprises of 10 Directors, out of which 5 are Executive Directors and 5 are Non-Executive Independent Directors including one Woman Independent Director.

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other public limited companies are given below:

Name of Director	Category	No. of Board Meetings attended during 2024-25	Attendance at the last AGM held on August 22, 2024	Directorship in other Public Companies <sup>1</sup> (As on 31.03.2025)	No. of Committees positions held in other public companies <sup>2</sup> (As on 31.03.2025)	
					Chairman	Member
Shri R N Agarwal	Chairman & Managing Director	4	Yes	-	-	-
Shri Raunak Agarwal	Executive Director	4	No	-	-	-
Smt. Reena Agarwal	Executive Director	4	No	-	-	-
Shri Rohan Agarwal	Executive Director & CEO	4	Yes	-	-	-
Shri P K Mundra	Executive Director & CFO	4	Yes	-	-	-
Shri R K Bakshi	Non-Executive Independent Director	4	Yes	3	2	3
Smt. Sunita Nair	Non-Executive Independent Director	4	Yes	1	-	-
Shri K L Chandak	Non-Executive Independent Director	4	No	1	2	2

Name of Director	Category	No. of Board Meetings attended during 2024-25	Attendance at the last AGM held on August 22, 2024	Directorship in other Public Companies <sup>1</sup> (As on 31.03.2025)	No. of Committees positions held in other public companies <sup>2</sup> (As on 31.03.2025)	
					Chairman	Member
Shri Sanjay Sinha <sup>3</sup>	Non-Executive Independent Director	2	Not Applicable	1	-	-
Shri Neeraj Golas <sup>4</sup>	Non-Executive Independent Director	2	Not Applicable	2	-	3
Shri P Kumar <sup>5</sup>	Non-Executive Independent Director	2	Yes	1	2	2
Shri C R Radhakrishnan <sup>6</sup>	Non-Executive Independent Director	2	Yes	1	1	1
Shri S N Chaturvedi <sup>7</sup>	Non-Executive Independent Director	2	No	1	1	1

<sup>1</sup>Excludes Directorships in Private Limited Companies, Foreign Companies, Government Bodies and Alternate Directorships.

<sup>2</sup>Only memberships of Audit Committee and Stakeholders Relationship Committee have been considered for the Committee positions.

<sup>3</sup>Shri Sanjay Sinha was appointed as Non-Executive Independent Director of the Company with effect from August 22, 2024.

<sup>4</sup>Shri Neeraj Golas was appointed as Non-Executive Independent Director of the Company with effect from August 22, 2024.

<sup>5</sup>Shri P Kumar ceased as Director of the Company from close of business hours of September 20, 2024 due to completion of tenure.

<sup>6</sup>Shri C R Radhakrishnan ceased as Director of the Company from close of business hours of September 20, 2024 due to completion of tenure.

<sup>7</sup>Shri S N Chaturvedi ceased as Director of the Company from close of business hours of October 21, 2024 due to completion of tenure.

#### List of other listed entities where the Director of the Company is a Director and the category of such Directorship:

Sl no.	Name of the Director	Name of other Listed entity in which serving as Director	Category of Directorship
1.	Shri R N Agarwal	-	-
2.	Shri Raunak Agarwal	-	-
3.	Smt. Reena Agarwal	-	-
4.	Shri Rohan Agarwal	-	-
5.	Shri P K Mundra	-	-
6.	Shri R K Bakshi	Brady & Morris Engineering Company Limited & A K Capital Services Limited	Independent Director
7.	Smt. Sunita Nair	-	-
8.	Shri K L Chandak	Shree Rama Newsprint Limited	Independent Director
9.	Shri Sanjay Sinha	Beacon Trusteeship Limited	Independent Director
10.	Shri Neeraj Golas	Ashima Limited & Lyka Labs Limited	Independent Director

The details in respect of director to be appointed/re-appointed as per Regulations 36(3) of the SEBI Listing Regulations and the Secretarial Standards on General Meetings shall be provided along with the notice calling the Annual General Meeting.

The Company held four Board Meetings during the financial year 2024-25. The dates on which the Board Meetings were held were: May 27, 2024, August 12, 2024, November 08, 2024 and February 11, 2025. Necessary quorum was present at the above Meetings.

None of the Non-Executive Directors of the Company hold any equity shares in the Company. Shri R N Agarwal, Shri Raunak Agarwal, Smt. Reena Agarwal and Shri Rohan Agarwal are related to each other. The other Directors are not related to promoters or management at the board level or, inter-se, among themselves. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which they are Directors. Necessary disclosures regarding committee positions in other public companies as on March 31, 2025 have been made by the Directors.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. The maximum tenure of the Independent Directors is in compliance with the Act. None of the Independent Directors are Directors in more than seven listed companies and are not serving as Whole time Directors of more than three companies. Further, the Managing Director & CEO and the Executive Directors do not serve as Independent Directors in any listed company. All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act and Listing Regulations. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014,

confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') and have cleared the online proficiency self-assessment test/they are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

## BOARD PROCEDURE

The information as required under Schedule II Part A of the Listing Regulations is made available to the Board. The Board also reviews, on a quarterly basis, the declaration made by the Managing Director regarding compliance with all applicable laws. The MD & CFO have certified to the Board, inter-alia, and the accuracy of financial statements and adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) read with Part B of Schedule II of Listing Regulations pertaining to the MD & CFO certification for the financial year ended March 31, 2025. In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events and approvals obtained, if necessary.

The Company has not entered into any materially significant transactions, during the year under report with any of the Promoters, Directors, and Senior Management Personnel etc. other than transactions if any, entered into in the normal course of Company's business.

## CODE OF CONDUCT

The Code of Conduct has been formulated for the Board members and Senior Management Personnel. The Code incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The said Code of Conduct is posted on Company's website at [www.nrail.com](http://www.nrail.com). All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by Shri R N Agarwal, Chairman & Managing Director forms part of this report.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through

various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The Familiarisation Programmes imparted to Independent Directors during the year 2024-25 are disclosed on the Company's website at the following web link [https://nrail.com/independent\\_directors.html](https://nrail.com/independent_directors.html)

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 11, 2025 as required under Schedule IV to the Companies Act, 2013 and Listing Regulations. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors attended the Meeting.

## EVALUATION OF BOARD PERFORMANCE

During the year, the annual evaluation of the Board's own performance, Board, Committees and Individual Directors including the Chairman was carried out pursuant to the provisions of the Act and the Listing Regulations. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and

the Non-Independent Directors were carried out by the Independent Directors.

The Board of Directors expressed their satisfaction with the evaluation process.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

## BOARD SKILLS, EXPERTISE AND COMPETENCE

The Board of Directors collectively possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, corporate governance, education, community service and other disciplines as required in the context of the Company's operations.

The core skills, experience and knowledge of individual Directors are:

Name of Directors	Details of skills/expertise/competencies
Shri R N Agarwal	Industrialists and entrepreneurs having requisite skills, experience and knowledge required in the context of the Company's operations
Shri Raunak Agarwal	
Smt. Reena Agarwal	
Shri Rohan Agarwal	
Shri P K Mundra	Financial, Secretarial etc.
Shri R K Bakshi	Professionals having financial, banking knowledge and corporate governance skills
Shri Sanjay Sinha	
Smt. Sunita Nair	Legal Acumen
Shri K L Chandak	Business Management including Finance and Accounts
Shri Neeraj Golas	

## AUDIT COMMITTEE

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013. All members of the Committee have the relevant experience in the fields of finance, taxation and accounting. Shri R K Bakshi, Chairman of the Committee, has expert knowledge in the field of finance, management and Company affairs.

## Terms of Reference

The Audit Committee functions according to its powers, scope and role defined in Part C of Schedule II of the Listing

Regulations and Section 177 of the Act, 2013. The broad Terms of Reference of the Audit Committee inter-alia are as follows:

- 1] Role of the Audit Committee shall include the following:
- a) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - b) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
  - c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
  - e) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
  - g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - h) approval or any subsequent modification of transactions of the listed entity with related parties;
  - i) scrutiny of inter-corporate loans and investments;
  - j) valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - k) evaluation of internal financial controls and risk management systems;
  - l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - n) discussion with internal auditors of any significant findings and follow up there on;
  - o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - r) to review the functioning of the whistle blower mechanism;

- s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - t) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  - u) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
  - v) monitoring the end use of funds raised through public offers and related matters.
  - w) monitoring and reviewing cyber security inter-alia to protect unauthorised access to data centers and other computerised systems.
  - x) carrying out any other function as is mentioned in the terms of reference of the audit committee.
  - y) carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
  - z) In respect of Cost Auditors:
    - Recommendation to the Board for the appointment of the Cost auditors and their remuneration and terms of appointment.
    - Review with Cost auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
    - Approval of fees to Cost auditors for any other services rendered by them.
    - Review Cost Auditors' Report and recommend to the Board for the approval.
    - Reviewing, with the management, the performance of the Cost Auditors.
- II] Audit committee shall mandatorily review the following information:
- management discussion and analysis of financial condition and results of operations;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses; and
  - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - statement of deviations:
    - » quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - » annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).
- III] As per the Company's Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Code") the Audit committee would additionally:
- Approve policies in relation to the implementation of the Code and to supervise implementation of the Code.
  - Note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis.
  - Provide directions on any penal action to be initiated, in case of any violation of the Regulations by any person.
  - Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;

The Committee relies on the expertise and knowledge of the Management, Internal Auditors and the Independent Statutory Auditors in carrying out its responsibilities. The Management is responsible for the preparation, presentation and integrity of the Company's financial statements including accounting and financial reporting principles. Management is also responsible for internal control over financial reporting and procedures which are designed to ensure compliance with Accounting Standards, applicable laws, regulations as well as objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control. The minutes of the Audit Committee Meetings form part of the papers circulated for Board Meetings.

### Composition and Attendance during the year

The composition of the Audit Committee and the details of meetings attended by the members during the financial year are given below:

During the year, the Audit Committee met four times on May 27, 2024, August 12, 2024, November 08, 2024 and February 11, 2025. Necessary quorum was present at the above Meetings.

Name	Category	No. of Meetings attended
Shri R K Bakshi, Chairman <sup>1</sup>	Non-Executive Independent	4
Shri K L Chandak, Member <sup>2</sup>	Non-Executive Independent	2
Shri Sanjay Sinha, Member <sup>3</sup>	Non-Executive Independent	2
Shri Neeraj Golas, Member <sup>4</sup>	Non-Executive Independent	1
Shri P Kumar, Chairman <sup>5</sup>	Non-Executive Independent	2
Shri C R Radhakrishnan, Member <sup>6</sup>	Non-Executive Independent	2
Shri S N Chaturvedi, Member <sup>7</sup>	Non-Executive Independent	2

<sup>1</sup>Shri R K Bakshi was designated as Chairman of the Audit Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri K L Chandak was appointed as Member of Audit Committee of the Company with effect from August 23, 2024.

<sup>3</sup>Shri Sanjay Sinha was appointed as Member of Audit Committee of the Company with effect from August 23, 2024.

<sup>4</sup>Shri Neeraj Golas was appointed as Member of Audit Committee of the Company with effect from November 08, 2024.

<sup>5</sup>Shri P Kumar ceased as Chairman of Audit Committee of the Company from close of business hours of August 23, 2024.

<sup>6</sup>Shri C R Radhakrishnan ceased as Member of Audit Committee of the Company from close of business hours of August 23, 2024.

<sup>7</sup>Shri S N Chaturvedi ceased as Member of Audit Committee of the Company from close of business hours of August 23, 2024.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 22, 2024. The Company Secretary acts as the Secretary to the Committee.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee, is constituted in accordance with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act.

#### Terms of Reference

The broad Terms of Reference of the Nomination and Remuneration Committee inter-alia are as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the

Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- c) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- d) devising a policy on diversity of board of directors;
- e) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- g) recommend to the board, all remuneration, in whatever form, payable to senior management;
- h) carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

### Composition and Attendance during the year

The Nomination and Remuneration Committee comprises of four Independent Directors including the Chairman of the Committee. The composition of the Committee and the details of meetings attended by the members during the financial year are given below:

During the year, the Committee met two times on May 27, 2024 and November 08, 2024. Necessary quorum was present at the above Meetings.

Name	Category	No. of Meetings attended
Shri R K Bakshi, Chairman <sup>1</sup>	Non-Executive Independent	2
Shri K L Chandak, Member <sup>2</sup>	Non-Executive Independent	1
Shri Sanjay Sinha, Member <sup>3</sup>	Non-Executive Independent	1
Shri Neeraj Golas, Member <sup>4</sup>	Non-Executive Independent	-
Shri P Kumar, Chairman <sup>5</sup>	Non-Executive Independent	1
Shri S N Chaturvedi Member <sup>6</sup>	Non-Executive Independent	1

<sup>1</sup>Shri R K Bakshi was designated as Chairman of the Nomination and Remuneration Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri K L Chandak was appointed as Member of Nomination and Remuneration Committee of the Company with effect from August 23, 2024.

<sup>3</sup>Shri Sanjay Sinha was appointed as Member of Nomination and Remuneration Committee of the Company with effect from August 23, 2024.

<sup>4</sup>Shri Neeraj Golas was appointed as Member of Nomination and Remuneration Committee of the Company with effect from November 08, 2024.

<sup>5</sup>Shri P Kumar ceased as Chairman of Nomination and Remuneration Committee of the Company from close of business hours of August 23, 2024.

<sup>6</sup>Shri S N Chaturvedi ceased as Member of Nomination and Remuneration Committee of the Company from close of business hours of August 23, 2024.

### Succession Plan

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee works along with the human resource team of the Company for a structured leadership succession plan.

The Remuneration Policy of the Company has been given as **Annexure 1** to the Board's Report.

The key principles governing the Company's Remuneration Policy are as follows:

**A. REMUNERATION TO NON-EXECUTIVE DIRECTORS**

The Non-Executive Directors are paid remuneration by way of sitting fees only. They are paid sitting fees for each Board and Committee Meetings attended by them. The Non-Executive Directors do not have any material pecuniary relationship or transactions with the Company.

**B. REMUNERATION TO EXECUTIVE DIRECTORS**

The appointment of Executive Directors comprising of the Chairman & Managing Director and other Whole time Directors is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to the Managing Director and Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration packages of the Chairman and Managing Director and Executive Directors comprises of salary, perquisites and allowances, as also contributions to provident and other retirement

benefit funds as approved by the Shareholders at the General Meeting.

Presently, the Company does not have a scheme for grant of stock options or performance linked incentives for its Directors.

The remuneration policy and the criteria for making payments to Non-Executive Directors are available on the website of the Company [www.nrail.com](http://www.nrail.com).

**DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2025:**

**(a) NON-EXECUTIVE DIRECTORS**

Name of the Directors	Sitting Fees (in ₹)
Shri R K Bakshi	3,10,000
Shri K L Chandak	2,10,000
Smt. Sunita Nair	1,50,000
Shri Sanjay Sinha	1,20,000
Shri Neeraj Golas	1,00,000
Shri P Kumar	1,30,000
Shri C R Radhakrishnan	1,00,000
Shri S N Chaturvedi	1,00,000
<b>Total</b>	<b>12,20,000</b>

**(b) EXECUTIVE DIRECTORS**

(in ₹)

Particulars	Shri R N Agarwal (Chairman & Managing Director)	Shri Raunak Agarwal (Executive Director)	Smt. Reena Agarwal (Executive Director)	Shri Rohan Agarwal (Executive Director & CEO)	Shri P K Mundra (Executive Director & CFO)
Salary	2,80,00,000	72,00,000	72,00,000	72,00,000	1,03,49,916
Perquisites	99,48,512	39,600	39,600	39,600	6,00,000
Bonus	0	0	0	0	0
Commission	1,65,00,000	1,65,00,000	1,65,00,000	1,65,00,000	0
Provident Fund	21,600	21,600	21,600	21,600	4,88,688
Leave Encashment	28,84,615	6,92,308	6,92,308	6,92,308	0
Service Contracts	Three years	Three years	Three years	Three years	Three years
Notice Period & Severance Fees	Three months' notice or three months salary in lieu thereof	Three months' notice or three months salary in lieu thereof	Three months' notice or three months salary in lieu thereof	Three months' notice or three months salary in lieu thereof	Three months' notice or three months salary in lieu thereof

Your Company has not provided any stock options to its Directors.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Act, 2013 and Regulation 20 of the Listing Regulations, the Board has in place a "Stakeholders' Relationship Committee".

### Terms of Reference

The broad Terms of Reference of the Stakeholders Relationship Committee inter-alia are as follows:

- Consider and resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report and non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Oversee the performance of the Company's Registrar and Transfer Agent.
- Oversee and review all matters connected with the transfer, transmission, etc. of the Company's securities.
- Approve issue of the Company's duplicate share / debenture certificates.
- Look into the various aspects of interest of shareholders, debenture holders and other security holders.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

### Composition and Attendance during the year

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by the members during the financial year are given below:

The Stakeholders' Relationship Committee met four times during the financial year on May 27, 2024, August 12, 2024, November 08, 2024 and February 11, 2025.

Name	Category	No. of Meetings attended
Shri R K Bakshi, Chairman <sup>1</sup>	Non-Executive Independent	4
Shri K L Chandak, Member <sup>2</sup>	Non-Executive Independent	2
Shri R N Agarwal Member	Executive Non-Independent	4
Shri P Kumar, Chairman <sup>3</sup>	Non-Executive Independent	2
Shri C R Radhakrishnan Member <sup>4</sup>	Non-Executive Independent	2

<sup>1</sup>Shri R K Bakshi was designated as Chairman of the Stakeholders' Relationship Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri K L Chandak was appointed as Member of Stakeholders' Relationship Committee of the Company with effect from August 23, 2024.

<sup>3</sup>Shri P Kumar ceased as Chairman of Stakeholders' Relationship Committee of the Company from close of business hours of August 23, 2024.

<sup>4</sup>Shri C R Radhakrishnan ceased as Member of Stakeholders' Relationship Committee of the Company from close of business hours of August 23, 2024.

The Chairman of the Stakeholders' Relationship Committee was present at the Annual General Meeting of the Company held on August 22, 2024.

Based on the reports received from the Company's Registrar and Share Transfer Agent, the Company received no complaints / grievances during the year and there were no complaints pending as on March 31, 2025. The status of investor complaints as on March 31, 2025 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on April 1, 2024	Nil
Received during the year	1
Resolved during the year	1
Pending as on March 31, 2025	Nil

## Name, Designation and Address of Compliance Officer:

Ms. Pooja Daftary

Company Secretary & Compliance Officer

502-A/501-B, Fortune Terraces,

New Link Road, Andheri (West)

Mumbai – 400 053

Tel: 6731 7500/ 6731 7547

Fax: 2673 0227/ 2673 6953

Email: [pooja.daftary@nrail.com](mailto:pooja.daftary@nrail.com)

Shareholders may also correspond with the Company on its email address viz.: [investors@nrail.com](mailto:investors@nrail.com)

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

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

### Terms of Reference

The broad Terms of Reference of the CSR Committee inter-alia are as follows:

- Formulating and recommending to the Board, the CSR policy indicating the activities to be undertaken in line with Section 135 read with Schedule VII of the Act.
- Recommending to the Board, the CSR projects/ activities to be undertaken by the Company.
- Recommending to the Board, the CSR expenditure to be incurred.
- Recommending to the Board, modifications to the CSR policy as and when required.
- Regularly monitoring the implementation of the CSR policy and projects under support and periodically reporting the progress to the Board.
- Meeting atleast once a year to review the CSR work in progress.
- To function under the overall supervision of the Board.
- To do such other things as may be prescribed in the Act and the Rules thereunder.

### Composition and Attendance during the year

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by the members during the financial year are given below:

The CSR Committee met two times during the financial year on May 27, 2024 and February 11, 2025.

Name	Category	No. of Meetings attended
Shri R K Bakshi, Chairman <sup>1</sup>	Non-Executive Independent	2
Shri K L Chandak, Member <sup>2</sup>	Non-Executive Independent	1
Smt. Reena Agarwal, Member	Executive-Non-Independent	2
Shri P Kumar, Chairman <sup>3</sup>	Non-Executive Independent	1

<sup>1</sup>Shri R K Bakshi was designated as Chairman of the Corporate Social Responsibility Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri K L Chandak was appointed as Member of Corporate Social Responsibility Committee of the Company with effect from August 23, 2024.

<sup>3</sup>Shri P Kumar ceased as Chairman of Corporate Social Responsibility Committee of the Company from close of business hours of August 23, 2024.

## RISK MANAGEMENT COMMITTEE

The Committee is constituted as per the amended Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Terms of Reference

The broad Terms of Reference of the Risk Management Committee inter-alia are as follows:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

- c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- e) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- g) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- h) Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

### Composition and Attendance during the year

The composition of the Risk Management Committee and the details of meetings attended by the members during the financial year are given below:

The Risk Management Committee met two times during the year on May 27, 2024 and November 08, 2024.

Name	Category	No. of Meetings attended
Shri R K Bakshi, Chairman <sup>1</sup>	Non-Executive Independent	1
Shri R N Agarwal, Member	Executive-Non-Independent	2
Shri Raunak Agarwal, Member	Executive-Non-Independent	2
Shri S N Chaturvedi, Chairman <sup>2</sup>	Non-Executive Independent	1

<sup>1</sup>Shri R K Bakshi was appointed as Chairman of Risk Management Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri S N Chaturvedi ceased as Chairman of Risk Management Committee of the Company from close of business hours of August 23, 2024.

### EXECUTIVE COMMITTEE OF THE BOARD

The Executive Committee of the Board is responsible for handling urgent/interim matters which occur between two Board Meetings such as reviewing and acceptance of financial assistance, delegation of authority for banking transactions, etc.

The Executive Committee met four times during the year on May 06, 2024, January 03, 2025, January 22, 2025 and March 12, 2025.

The composition of the Executive Committee of the Board and the details of the meetings attended by the members during the financial year are given below:

Name	Category	No. of Meetings attended
Shri R N Agarwal, Chairman	Executive-Non-Independent	4
Shri R K Bakshi, Member <sup>1</sup>	Non-Executive-Independent	3
Shri Raunak Agarwal, Member	Executive-Non-Independent	4
Shri P Kumar, Member <sup>2</sup>	Non-Executive-Independent	1

<sup>1</sup>Shri R K Bakshi was appointed as Member of Executive Committee of the Company with effect from August 23, 2024.

<sup>2</sup>Shri P Kumar ceased as Member of Executive Committee of the Company from close of business hours of August 23, 2024.

### SHARE TRANSFER COMMITTEE

The Board of Directors at their meeting held on March 29, 2015 has delegated the power of share transfer, transposition, transmission and other ancillary matters to the Company's Registrar and Share Transfer Agent, MUG Intime India Private Limited (Formerly known as Link Intime India Private Limited).

The Share Transfer Committee is responsible for approving consolidation of shares, remat requests, issue of duplicate shares, etc.

The Share Transfer Committee met twenty six times during the financial year 2024-25 on April 19, 2024, May 07, 2024, May 10, 2024, May 16, 2024, May 30, 2024, June 07, 2024, June 10, 2024, June 21, 2024, June 29, 2024, July 11, 2024, July 29, 2024, September 02, 2024, September 16, 2024,

September 24, 2024, October 05, 2024, October 16, 2024, October 21, 2024, November 19, 2024, November 22, 2024, December 02, 2024, December 12, 2024, January 13, 2025, January 20, 2025, January 27, 2025, February 07, 2025 and March 26, 2025.

The composition of the Share Transfer Committee and the details of the meetings attended by the members during the financial year are given below:

Name	Category	No. of Meetings attended
Shri R N Agarwal, Chairman	Executive-Non-Independent	26
Shri Raunak Agarwal, Member	Executive-Non-Independent	26

## FINANCE AND STRATEGY COMMITTEE

The Finance and Strategy Committee of the Board is responsible for evaluating, strategizing and managing the investments of the Company.

The Finance and Strategy Committee met twenty times during the financial year 2024-25 on April 12, 2024, May 28, 2024, June 10, 2024, June 18, 2024, June 26, 2024, July 08, 2024, August 01, 2024, August 07, 2024, August 26, 2024, September 12, 2024, September 20, 2024, November 08, 2024, November 21, 2024, November 27, 2024, December 11, 2024, December 16, 2024, January 02, 2025, January 13, 2025, February 03, 2025 and February 20, 2025.

The composition of the Finance Committee and Strategy Committee and the details of the meetings attended by the members during the financial year are given below:

Name	Category	No. of Meetings attended
Shri R N Agarwal, Chairman	Executive-Non-Independent	20
Shri Raunak Agarwal, Member	Executive-Non-Independent	20
Shri Rohan Agarwal, Member	Executive-Non-Independent	20
Shri P K Mundra, Member	Executive-Non-Independent	20

## Particulars of senior management including the changes therein since the close of the previous financial year

Sl No.	Name	Designation	Changes since the close of the previous financial year, if any
1	Mr. Joshua Madhuker	President - Corporate Affairs	Promoted w.e.f. December 26, 2024
2	Mr. S Venkatesh	President - Technical & Operations	Promoted w.e.f. August 02, 2024
3	Ms. Pooja Daftary	Company Secretary & Compliance Officer	-
4	Mr. Ravi Sharma	Vice-President - Marketing	Promoted w.e.f. November 08, 2024
5	Mr. Aditya Sharma	Vice-President- Sales & Marketing (Writing & Printing)	-
6	Mr. Abhimanyu Sofat	President - Treasury	Appointed w.e.f. May 27, 2024
7	Mr. Rajesh Modi	President - Accounts and Finance	Appointed w.e.f. May 27, 2024 and ceased w.e.f. March 31, 2025
8	Mr. Deepak Bhardwaj	President-Operations (Writing & Printing)	Ceased w.e.f. April 10, 2024
9	Mr. Praveen Sahni	Assistant Vice President-Accounts And Taxation	Ceased w.e.f. April 11, 2024
10	Mr. Anil Kumar Singh	President- Projects & Operations (Board)	Ceased w.e.f. August 01, 2024

## SUBSIDIARY COMPANIES

The Company has no Subsidiary Company.

## GENERAL BODY MEETINGS FOR LAST THREE YEARS

(a) The details of location, date and time of Annual General Meetings held during the last three (3) years and special resolutions passed are as follows:

Financial Year	Day, Date & Time	Location	Special Resolutions, if any
2023-24	Thursday, August 22, 2024 at 11.30 a.m.	Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	<ol style="list-style-type: none"><li>1. Re-appointment of Smt. Sunita Nair as an Independent Director</li><li>2. Appointment of Shri Sanjay Sinha as an Independent Director</li><li>3. Appointment of Shri Neeraj Golas as an Independent Director</li><li>4. Increase in overall maximum managerial remuneration upto 17% of the net profits of the Company computed in manner as laid down in Section 198 of the Companies Act, 2013</li><li>5. Re-appointment and payment of remuneration to Shri R N Agarwal as Managing Director</li></ol>
2022-23	Thursday, September 28, 2023 at 11.30 a.m.	Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	<ol style="list-style-type: none"><li>1. Appointment of Shri P K Mundra as a Whole time Director &amp; CFO</li><li>2. Appointment of Shri K L Chandak as an Independent Director</li></ol>
2021-22	Thursday, September 29, 2022 at 11.30 a.m.	Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	<ol style="list-style-type: none"><li>1. Re-appointment of Shri Raunak Agarwal as the Whole time Director</li><li>2. Re-appointment of Smt. Reena Agarwal as the Whole time Director</li><li>3. Change in place of keeping registers and records of the Company</li></ol>

(b) Details of Extra-Ordinary General Meeting:

No Extra-Ordinary General Meeting of the Shareholders was held during the year.

(c) No postal ballot was conducted during the year. None of the resolutions proposed for the forthcoming Annual General Meeting need to be passed by Postal Ballot.

## DISCLOSURES

- a) The particulars of transactions between the Company and its related parties as per Accounting Standard (AS)-18, are set out in notes to accounts in the Annual Report and were approved by the Audit Committee. There are no materially significant related party transactions of the Company having potential conflict with the interests of the Company at large. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link: [http://www.nrail.com/company\\_policies.html](http://www.nrail.com/company_policies.html)
- b) The Board of Directors has been informed from time to time about the business risks faced by the Company and the steps taken by the management to face them.
- c) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to the capital markets during the last three years. There was a delay in filing the RPT Disclosure for the half year ended March 31, 2022 under Regulation 23(9) of SEBI LODR Regulations, 2015 to BSE and NSE for which the Company has paid a fine of ₹70,000/- during the FY 2022-23 to the respective Stock Exchanges. Also, maximum time gap of one hundred and twenty days between any two consecutive meetings as required under Regulation 17(2) of SEBI (LODR) Regulations, 2015 was exceeded between the Board & Audit Committee Meetings held on January 22, 2024 and May 27, 2024 for which the Company has paid a fine of ₹10,000/- during the financial year 2024-25 to the respective Stock Exchanges. No other penalties or strictures were imposed on the Company by these authorities.
- d) The Company has a Whistle Blower Policy in place and none of the employees have been denied access to the Audit Committee. The said policy has been also put up on the website of the Company at the following link: [http://www.nrail.com/company\\_policies.html](http://www.nrail.com/company_policies.html)
- e) Schedule V of the Listing Regulations mandates the Company to obtain a Certificate from either the Auditors or Practising Company Secretaries regarding the compliance of conditions of corporate governance stipulated in the Listing Regulations and annex the Certificate with the Directors' Report, which is sent annually to all the Shareholders. The Company has obtained a Certificate from the Practising Company Secretaries of the Company to this effect and the same is given as an Annexure to this Report.
- f) The corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the Listing Regulations to the extent applicable to the Company have been complied with as stated above. Further, the Company has adopted the following non-mandatory requirements of the Clause:
- i) The financial statements of the Company are unqualified and
- ii) The Internal Auditor presents his report to the Audit Committee at the end of every quarter.
- g) The Company does not have any subsidiaries; hence the policy for material subsidiaries is not applicable to the Company.
- h) Accounting Treatment in preparation of Financial Statements:
- The Financial Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.
- i) The Company has not raised any funds through Preferential Allotment or Qualified Institutional Placement.
- j) Acceptance of recommendation of all Committees:
- In terms of the Listing Regulations, there have been no instances during the year when recommendations of any of the Committees were not accepted by the Board.
- k) M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W) have been appointed as the Statutory Auditors of the Company. The fees of ₹19 Lakhs plus out of pocket expenses was paid to Statutory Auditors for all the services rendered by them during the year under review.

## SECRETARIAL AUDIT AND OTHER CERTIFICATES:

- M/s. Parikh & Associates, Practising Company Secretaries, have conducted a Secretarial Audit of the Company for the financial year 2024-25. Their Report

confirms that the Company has complied with the applicable provisions of the Companies Act, Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report is given as an **Annexure 2** to the Board's Report.

- A qualified Practising Company Secretary carries out a Reconciliation of Share Capital Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- In accordance with the SEBI Circular dated February 8, 2019 read with Regulation 24A of SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. Parikh & Associates, Practising Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2025.
- M/s. Parikh & Associates, Practising Company Secretaries has issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/MCA or any such Statutory Authority. The said certificate is annexed to this Report on Corporate Governance.

## COMMODITY PRICE RISKS/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During the financial year 2024-25, the Company has availed fully hedged Foreign Currency Term loans.

## CEO/CFO CERTIFICATION

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the financial year ended March 31, 2025.

## MEANS OF COMMUNICATION

- The quarterly and the half yearly results as per the format prescribed by the Listing Regulations are approved and taken on record by the Board of Directors of the Company. The approved results are forthwith sent to the Stock Exchanges where the Company's shares are listed. The results are also published, within 48 hours, in English and Marathi newspapers namely Business Standard/Financial Express and Mumbai Lakshdeep having wide circulations. The results are displayed on the Company's website, [www.nrail.com](http://www.nrail.com) and also filed with BSE and NSE.
- The Company publishes the audited annual results within the stipulated period of two months from the close of the financial year as required by the Listing Regulations. The annual audited results are also communicated to the Stock Exchanges where the Company's shares are listed, published in the newspapers and displayed on the Company's website, BSE and NSE Online Portal.
- Comprehensive information about the Company, its business and operations, official news releases, presentations made to institutional investors or to the analysts can be viewed on the Company's website [www.nrail.com](http://www.nrail.com). The "Investor Relations" section on the website gives information relating to financial results, annual reports, shareholding pattern, corporate governance report and policies of the Company. Information about unclaimed dividends is also available in this section, under the head "Investor Information."

## GENERAL SHAREHOLDERS INFORMATION

### ANNUAL GENERAL MEETING

Day, date and time :	Wednesday, September 24, 2025 at 11:30 a.m (IST)
Venue :	In accordance with the General Circular issued by the MCA on May 5, 2022 read with General Circular dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 the AGM will be held through VC/OAVM only
Corporate Identification Number:	L22210MH1993PLC133365
Financial Year:	April to March
Record Date for Dividend :	Wednesday, September 17, 2025
Dividend Payment date:	On or before October 21, 2025
Listing of equity shares on :	<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400051 <b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Listing Fees :	The Company has paid the Listing Fees for FY 2024-25 and 2025-26 to both the exchanges on time.
Demat (ISIN):	INE740D01017
Registrar and Share Transfer Agent:	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) C-101, 247 Park, L.B.S. Marg Vikhroli (W), Mumbai-400 083 Tel: 022-49186000 Email: <a href="mailto:rnt.helpdesk@in.mpms.mufg.com">rnt.helpdesk@in.mpms.mufg.com</a>

### SHARE TRANSFER SYSTEM:

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form. Further, SEBI has vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate securities certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, members are requested to make service requests by submitting a

duly filled and signed Form ISR - 4, the format of which is available on the Company's website at [https://www.nrail.com/shareholders\\_information.html](https://www.nrail.com/shareholders_information.html).

Dematerialisation of holdings will, inter alia, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors.

In view of the aforesaid, members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

## DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025:

Sl no	Range no of shares	No of shareholders	% Total holders	Total amount	% Of capital
1	Upto 100	2,252	22.79	1,01,370	0.06
2	101 to 200	710	7.19	1,18,220	0.07
3	201 to 500	1,622	16.42	6,17,240	0.36
4	501 to 1000	2,469	24.99	22,96,090	1.35
5	1001 to 5000	1,937	19.60	50,61,010	2.97
6	5001 to 10000	383	3.87	29,77,580	1.75
7	10001 to 100000	437	4.42	1,29,37,060	7.60
8	100001 and above	71	0.72	14,60,82,430	85.84
<b>TOTAL</b>		<b>9,881</b>	<b>100</b>	<b>17,01,91,000</b>	<b>100</b>

## CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2025:

Category	No. of shares held	Percentage to total share capital
Promoters/Promoters Group	1,25,88,166	73.96
AIF	16,936	0.10
Banks / FI	2,500	0.01
FPIs	66,995	0.39
Body corporates	2,76,017	1.62
Individuals	35,68,327	20.97
Non Resident Indians/ Overseas Corporate Bodies	1,22,000	0.72
Clearing Members	624	0.01
LLP	11,619	0.07
IEPF	2,16,788	1.27
HUF	1,49,128	0.88
<b>Total</b>	<b>1,70,19,100</b>	<b>100.00</b>

## DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are available for dealing in the Depository System of both the National Securities Depository Limited and the Central Depository Services (India) Limited.

## DETAILS OF SHARES HELD IN PHYSICAL FORM AND DEMATERIALIZED FORM AS ON MARCH 31, 2025:

Mode	No of Shares	% of Share Capital
Electronic form with CDSL	1,46,49,305	86.08
Electronic form with NSDL	21,34,890	12.54
Physical Form	2,34,905	1.38
<b>Total</b>	<b>1,70,19,100</b>	<b>100.00</b>

**Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:** Not Applicable

### CREDIT RATING:

The current credit rating of the Company has been Reaffirmed to Long Term Rating of (ICRA) A Stable and Short Term Rating of (ICRA) A1 for bank loan facilities aggregating to ₹955.64 crs.

### LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED:

The Company has not given any loans or advances to any Firm / Company in which its Directors are interested.

## SEXUAL HARASSMENT AT WORKPLACE

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

### ADDRESS FOR CORRESPONDENCE:

#### Registered Office:

502-A/501-B, Fortune Terraces,  
Opp. Citi Mall, New Link Road,  
Andheri (West), Mumbai - 400 053

Tel: 67317500/Fax: 2673 0227/2673 6953

Email: [admin@nrail.com](mailto:admin@nrail.com) Website: [www.nrail.com](http://www.nrail.com)

### PLANT LOCATIONS:

Unit I	Unit IV	Unit V	Unit V (PM2)
Plot No. 169, Phase II, GIDC, Vapi-396 195, Dist. Valsad, Gujarat	Plot No. 901/P, Phase III, GIDC, Vapi-396 195, Dist. Valsad, Gujarat	S. Nos. 69/1/P3, 69/1/P/3/P1,72/P3-P4, Village Sarigam & Angam, Taluka - Umbergaon-396 155, Dist. Valsad, Gujarat	Survey No. 361, Sarigam Kale Road, Sarigam - 396155. Dist.: Valsad, Gujarat

## REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited

(Formerly known as Link Intime India Private Limited)

C-101, 247 Park, L.B.S. Marg

Vikhroli (W), Mumbai- 400083

Tel: 022-49186000

Email: [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)

## OTHER POLICIES UNDER THE SEBI LISTING REGULATIONS

Policy on Archival and Preservation of Documents as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at [https://www.nrail.com/company\\_policies.html](https://www.nrail.com/company_policies.html).

Policy on Determination of Materiality for Disclosures of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at [https://www.nrail.com/company\\_policies.html](https://www.nrail.com/company_policies.html).

Dividend Distribution Policy as adopted by the Company pursuant to Regulation 43A of the SEBI Listing Regulations is available on the website of the Company at [https://www.nrail.com/company\\_policies.html](https://www.nrail.com/company_policies.html).

### Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V of the SEBI Listing Regulations, there were no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account of the Company during the year under review.

### Disclosure of certain types of agreements binding listed entities

During the year under review, there were no agreements entered into by the shareholders, promoters, promoter

group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

### Compliance with the Corporate Governance requirements as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with corporate governance requirements specified in regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has obtained a certificate from M/s. Parikh & Associates, Practising Company Secretaries, regarding compliance of conditions of Corporate Governance and the said certificate is annexed to this Report.

### Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Shri R N Agarwal, Chairman and Managing Director of N R Agarwal Industries Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended March 31, 2025.

On behalf of the Board of Directors

R N Agarwal

Chairman & Managing Director

DIN: 00176440

Place: Mumbai

Date: May 28, 2025

## Practising Company Secretaries' Certificate on Corporate Governance

To,  
The Members,  
NR AGARWAL INDUSTRIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by NR Agarwal Industries Limited ('the Company') for the year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, subject to the disclosures made by the management in the Corporate Governance Report and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2025.

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

For Parikh & Associates  
Practising Company Secretaries

J.U Poojari  
Partner

FCS No: 8102, CP No: 8187

UDIN: F008102G000476185

PR No.: 6556/2025

Place: Mumbai  
Date: May 28, 2025

# Certificate of Non-Disqualification of Directors

(Pursuant to regulation 34(3) and schedule V para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
N R Agarwal Industries Limited  
502-A/501-B, Fortune Terraces,  
5<sup>th</sup> Floor, Opp. City Mall,  
New Link Road, Andheri (West),  
Mumbai - 400053

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of N R Agarwal Industries Limited having CIN L22210MH1993PLC133365 and having registered office at 502-A/501-B, Fortune Terraces, 5<sup>th</sup> Floor, Opp. City Mall, New Link Road, Andheri (West), Mumbai - 400053 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl No.	Name of Director	DIN	Date of Appointment in Company*
1.	Rajendra Nagin Agarwal	00176440	01/08/2010
2.	Raunak Rajendra Agarwal	02173330	01/05/2008
3.	Reena Rajendra Agarwal	00178743	01/08/2022
4.	Neeraj Golas	06566069	22/08/2024
5.	Sanjay Sinha	08253225	22/08/2024
6.	Rajiv Kumar Bakshi	00264007	07/02/2018
7.	Rohan Rajendra Agarwal	08583011	01/11/2019
8.	Sunita Ajay Nair	08701609	01/04/2020
9.	Praveen Kumar Mundra	10258728	28/09/2023
10.	Kanhaiyalal Chunnilal Chandak	00013487	28/09/2023

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

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates  
Practising Company Secretaries

J.U Poojari  
Partner

FCS No: 8102, CP No: 8187  
UDIN: F008102G000476130  
PR No.: 6556/2025

Place: Mumbai  
Date: May 28, 2025

# Independent Auditor's Report

TO THE MEMBERS OF N R AGARWAL INDUSTRIES LIMITED

## Report on the Audit of the Ind AS Financial Statements Opinion

We have audited the accompanying Ind AS financial statements of N R AGARWAL INDUSTRIES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of material accounting policies and other explanatory information.

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

## Basis for Opinion

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

## Key Audit Matters

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

Sr. No.	Key Audit Matter	How was the matter addressed in our audit
1	<p><b>Revenue recognition [refer note no. 1.2.13 and 30 to the Ind AS financial statements]</b></p> <p>Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>Audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.</p>

Sr. No.	Key Audit Matter	How was the matter addressed in our audit
2	<p><b>Capital work-in-progress/Property Plant and Equipment (PPE) [refer note no. 1.2.05, 1.2.07 and 2 to the Ind AS financial statements]</b></p> <p>The Company has made additions to the Capital work-in-progress/Property, Plant and Equipment of the ongoing units. Also, the Company has capitalized a portion of its capital work-in-progress considering them as ready to use. The assets need to be capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the asset and/or inappropriate classification of categories of items of PPE could result in material misstatement of Capital work-in-progress/ PPE with a consequent impact on depreciation charge and results for the year.</p>	<p>Testing the design, implementation and operating effectiveness of controls in respect of review of capital work in progress, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of the cut-off date considered for project capitalization.</p> <p>We tested the source documentation to determine whether the expenditure is of capital nature and has been appropriately approved and segregated into appropriate categories. Further, through sites visits, we have physically verified the existence of capital work in progress/PPE as at the reporting period.</p>
3	<p><b>Provisions and Contingent Liabilities (including direct and indirect taxes) [ refer note no. 1.2.20 and 38 to the Ind AS financial statements]</b></p> <p>The Company is involved in direct and indirect tax litigations that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute.</p>	<p>Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of developments in relation to the litigations, including completeness thereof.</p> <p>Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts.</p> <p>Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved.</p> <p>Assessed management's conclusions and understanding precedents in similar cases.</p>

## Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

## Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

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

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

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

## Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may

be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by Section 143(3) of the Act, we report that:
    - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
    - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) The Company does not have any branches. Hence, the provisions of Section 143(3)(c) is not applicable.
  - d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the Company.
  - g) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
  - i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B."
  - j) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 38 to the Ind AS financial statement.
    - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

- (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As stated in Note 16(i) to the Ind AS financial statements, The Company has proposed, declared or paid final dividend during the year and hence compliance with Section 123 of the Act is applicable for the year.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rule, 2014 is applicable for the financial year ended March 31, 2025.
- Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

**For GMJ & Co**  
**Chartered Accountants (FRN: 103429W)**

**CA Amit Maheshwari**  
**Partner**

**Place : Mumbai**  
**Date : May 28, 2025**

**Membership No: 428706**  
**UDIN: 254287 06BM10 YS2785**

## Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date on the Financial Statements of N R Agarwal Industries Limited for the year ended March 31, 2025.)

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management at regular intervals. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of our verification, title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami transactions (Prohibition) act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.
- ii. (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the books of account that were more than 10% in the aggregate of each class of inventory.
- (b) During the year, The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have examined the statements filed by the Company with banks or financial institutions and reconciled the same with books of accounts. We didn't find any material discrepancies and are in agreement with the book of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and other parties. The Company has not made any investments in firms and limited liability partnership.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any loans and advances in the nature of loans, any guarantee and security to any other entity. Therefore, clause 3 (iii) (a) (A) & 3 (iii) (a) (B) are not applicable to the Company.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the Company has made new investments during the year and the investments made earlier, are prima facie not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans during the year.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans during the year. Therefore, clause 3 (iii) (c) is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans during the year. Therefore, clause 3 (iii) (d) is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans during the year. Therefore, clause 3 (iii) (e) is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans during the year. Therefore, clause 3 (iii) (f) is not applicable to the Company.
- iv. According to the information and explanation given to us, during the year, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and 186 of the Act to the extent applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in the respect of the products where, pursuant to the Rules made by the Central Government, the maintenance of Cost Records have been prescribed under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to whether they are accurate or complete.
- vii. (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31, 2025, the following are the particulars of the dues that have not been deposited on the account of dispute:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Forum where dispute is pending	Financial year to which the amount relates
Central Excise Act, 1944 & Service Tax (Finance Act, 1994)	Excise Duty, Service Tax and GST (including interest and penalty, if applicable)	292.05	Appellate Authority - CESTAT and others	2012-13 to 2018-19
Customs Act, 1962	Custom Duty	30.49	Appellate Authority - CESTAT and others	2013-14 to 2014-15
Income Tax Act, 1961	Interest and Income Tax Demand	2,167.71	CIT(A)	2019-20
Income Tax Act, 1961	Income Tax Demand	645.63	CIT(A)	2020-21
Income Tax Act, 1961	Interest and Income Tax Demand	128.88	CIT(A)	2021-22

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2025. Therefore, the provisions of clause 3 (ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2025. Therefore, the provisions of clause 3 (ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us and based on the records and documents produced before us, during the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments), therefore, the provisions of clause 3 (x) (a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3 (x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under Section 143 (12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit Procedures.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and

hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) (a) of the Order is not applicable to the Company.
  - (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) Based on the information and explanations provided by the management of the Company, during the course of audit, the Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence

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

- xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under Sub-Section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3 (xx) (a) of the Order is not applicable.
- (b) In respect of ongoing projects, in our opinion and according to the information and explanations given to us, there is no unspent amount under Sub-Section (5) of Section 135 of the Act. Accordingly, clause 3 (xx) (b) of the Order is not applicable.

For GMJ & Co  
Chartered Accountants (FRN: 103429W)

CA Amit Maheshwari  
Partner

Place : Mumbai  
Date : May 28, 2025

Membership No: 428706  
UDIN: 254287 06BMIO YS2785

# Annexure – 'B' to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of "NR Agarwal Industries Limited" ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

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

## Auditors' Responsibility

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

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

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

## Meaning of Internal Financial Controls over Financial Reporting

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

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 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 GMJ & Co  
Chartered Accountants (FRN: 103429W)

CA Amit Maheshwari  
Partner

Place : Mumbai  
Date : May 28, 2025

Membership No: 428706  
UDIN: 254287 06BMIO YS2785

# Balance Sheet

as at March 31, 2025

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	2A	1,17,082.07	1,10,385.03
Capital Work-in-progress	2B	1,974.04	2,946.40
Right-of-use assets	2C	1,915.57	2,261.42
Other Intangible Assets	3A	718.96	828.23
Intangible assets under development	3B	-	-
<b>Financial Assets</b>			
Investments	4	2,800.29	0.29
Loans	5	19.37	24.50
Other Financial Assets	6	429.50	529.79
Other Non-current Assets	7	951.38	1,128.20
<b>Total Non-Current Assets</b>		<b>1,25,891.18</b>	<b>1,18,103.86</b>
<b>CURRENT ASSETS</b>			
Inventories	8	16,754.91	16,941.18
<b>Financial Assets</b>			
Investment	9	7,271.31	2,133.39
Trade Receivables	10	18,642.66	8,695.86
<b>Cash and Bank Balances:</b>			
a) Cash and cash equivalents	11A	66.60	17.34
b) Bank balances other than cash and cash equivalents	11B	104.60	1,761.68
Loans	12	69.96	96.79
Other Financial Assets	13	3,458.43	74.53
Current Tax Assets (Net)	14	436.13	145.42
Other Current Assets	15	4,255.01	8,500.34
<b>Total Current Assets</b>		<b>51,059.60</b>	<b>38,366.53</b>
Assets Held for Sale		-	185.00
<b>TOTAL ASSETS</b>		<b>1,76,950.77</b>	<b>1,56,655.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	1,701.91	1,701.91
Other Equity	17	75,756.76	74,327.18
<b>Total Equity</b>		<b>77,458.67</b>	<b>76,029.09</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	18	50,132.26	44,578.40
Lease liabilities	19	1,851.53	2,230.64
Other financial liabilities	20	538.90	496.00
Provisions	21	386.45	393.09
Deferred Tax Liabilities (Net)	22	8,114.24	7,580.51
<b>Total Non-Current Liabilities</b>		<b>61,023.39</b>	<b>55,278.64</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	23	11,976.40	10,688.66
Lease Liabilities	24	392.65	404.60
Trade Payables:	25		
(a) total outstanding dues of micro enterprises and small enterprises		1,990.43	1,084.44
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		21,046.36	5,196.91
Other Financial Liabilities	26	2,624.43	6,883.55
Other Current Liabilities	27	301.49	307.33
Provisions	28	136.97	231.03
Current Tax Liability(Net)	29	-	551.14
<b>Total Current Liabilities</b>		<b>38,468.71</b>	<b>25,347.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,76,950.77</b>	<b>1,56,655.39</b>

Material accounting policies and notes form an integral part of the Financial Statements. 1 to 62

As per our attached report of even date

For and on behalf of the Board of Directors

For GMJ & CO

Chartered Accountants

Firm's Registration No.: 103429W

R N AGARWAL

Chairman & Managing Director

DIN 00176440

RAUNAK AGARWAL

Executive Director

DIN 02173330

AMIT MAHESHWARI

Partner

Membership No.: 428706

UDIN: 25428706BMOI0YS2785

Mumbai, May 28, 2025

P K MUNDRA

Executive Director & CFO

DIN 10258728

POOJA DAFTARY

Company Secretary

# Statement of Profit and Loss for the year ended March 31, 2025

(₹ in lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>INCOME</b>			
Revenue from Operations	30	1,65,903.17	1,29,337.80
Other Income	31	3,139.66	737.35
<b>Total</b>		<b>1,69,042.83</b>	<b>1,30,075.14</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	32	1,06,161.90	72,280.32
Changes in Inventories of Finished goods, Work -in-progress and Stock-in-trade	33	(1,811.20)	(287.53)
Employee Benefits Expense	34	9,757.10	8,048.69
Finance Costs	35	6,091.19	1,054.19
Depreciation and Amortisation Expenses	36	6,557.36	3,741.27
Other Expenses	37		
Power, Fuel and Water		25,017.68	19,089.96
Others		15,673.18	12,385.02
<b>Total</b>		<b>1,67,447.21</b>	<b>1,16,311.92</b>
<b>Profit/(loss) before Exceptional items and Tax</b>		<b>1,595.62</b>	<b>13,763.22</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>1,595.62</b>	<b>13,763.22</b>
<b>Tax Expense</b>	22		
Current Tax (Net of refund of earlier years)		(701.59)	2,232.07
Deferred Tax		532.11	(1,015.14)
<b>Profit after Tax</b>		<b>1,765.10</b>	<b>12,546.29</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement gains/(losses) on defined benefit plan		17.19	(142.70)
Income tax effect on above		(4.33)	35.92
Equity instruments through other comprehensive income		(10.70)	29.95
Income tax effect on above		2.69	(3.59)
<b>Other Comprehensive Income for the year [Net of tax]</b>		<b>4.86</b>	<b>(80.42)</b>
<b>Total Comprehensive Income for the year</b>		<b>1,769.96</b>	<b>12,465.87</b>
<b>Basic and diluted Earning per Equity Share [EPS] (₹)</b>			
Basic		10.37	73.72
Diluted		10.37	73.72
(Face value of ₹10/- each)			

Material accounting policies and notes form an integral part of the Financial Statements. 1 to 62

As per our attached report of even date

For and on behalf of the Board of Directors

For GMJ & CO

Chartered Accountants

Firm's Registration No.: 103429W

**R N AGARWAL**

Chairman & Managing Director

DIN 00176440

**RAUNAK AGARWAL**

Executive Director

DIN 02173330

**AMIT MAHESHWARI**

Partner

Membership No.: 428706

UDIN: 25428706BMIOYS2785

Mumbai, May 28, 2025

**P K MUNDRA**

Executive Director & CFO

DIN 10258728

**POOJA DAFTARY**

Company Secretary

# Statement of Cash Flows for the year ended March 31, 2025

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before tax	1,595.62	13,763.22
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation and amortisation expense	6,557.36	3,741.27
Loss/ (profit) on sale of property, plant & equipment	(603.03)	267.04
Impairment loss on asset held for sale	-	792.46
Unrealised foreign exchange loss/(gain)(net)	9.26	20.48
Interest received	(120.19)	(184.53)
Dividend Income	(74.85)	(1.73)
Interest on Rental Security Deposits (Ind AS)	(22.09)	(22.79)
Net Loss/(Gain) on disposal / fair valuation of investments carried at fair value through profit or loss	(1,338.98)	210.12
Assets Written off	4.64	8.53
Mark to Market Loss on Forward Contract	280.34	
Sundry balance written back	(17.94)	(39.57)
Interest on lease liability	243.98	173.91
Bad Debt, Loss Allowances on receivables	0.89	0.07
Interest paid	5,847.21	880.28
<b>Operating profit before working capital changes</b>	<b>12,362.23</b>	<b>19,608.76</b>
<b>Adjustments For change in working capital:</b>		
(Increase)/decrease in inventories	186.27	(3,977.26)
(Increase)/decrease in trade receivables	(9,956.95)	5,087.06
(Increase)/decrease in loans (non-current and current)	31.97	(32.46)
(Increase)/decrease in other assets (non-current and current)	4,422.15	(6,650.96)
(Increase)/decrease in other financial assets (non-current and current)	(3,245.31)	(50.10)
(Increase)/decrease in other bank balances	1,657.07	2,410.45
Increase/(decrease) in trade payables	16,773.38	(3,221.02)
Increase/(decrease) in other financial liabilities (non-current and current)	(4,390.49)	2,021.58
Increase/(decrease) in other liabilities (current)	(5.84)	(122.99)
Increase/(decrease) in provisions	(83.51)	130.03
<b>Cash generated from/(used in) operations</b>	<b>17,750.96</b>	<b>15,203.08</b>
Less: Income tax paid	140.27	1,680.94
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>17,610.69</b>	<b>13,522.14</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and intangible assets, including capital advances	(11,966.41)	(53,443.03)
Proceeds from sale of property, plant and equipment	953.24	751.54
(Increase)/Decrease in Investments	(6,609.64)	(2,260.34)
Dividend Income	74.85	1.73
Interest received	79.18	161.75
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(17,468.77)</b>	<b>(54,788.34)</b>

# Statement of Cash Flows for the year ended March 31, 2025

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from secured long term borrowings (Net)	5,200.36	34,855.74
Increase/(Decrease) in long term unsecured borrowings (Net)	353.50	(207.50)
Increase/(Decrease) in short term borrowings (Net)	1,287.74	7,168.36
Payment of lease liabilities	(640.60)	(617.76)
Dividends paid	(340.38)	(0.30)
Interest paid	(5,953.28)	(717.81)
<b>Net cash flow from/(used in) financing activities ( C )</b>	<b>(92.67)</b>	<b>40,480.73</b>
Net increase / (decrease) in cash and cash equivalents	49.26	(785.47)
Cash and cash equivalents at the beginning of the financial year	17.34	802.81
Cash and cash equivalents at end of the year (Note 11A)	66.60	17.34

Notes:-

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
- Debt reconciliation statement in accordance with Ind AS 7.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Opening balances</b>		
Long-term borrowings (including current maturities)(Note No. 18)	48,027.09	13,378.85
Short-term borrowings (Note No. 23)	7,239.98	71.62
<b>Movements</b>		
Long-term borrowings (including current maturities)(Note No. 18)	5,968.84	34,648.23
Short-term borrowings (Note No. 23)	486.42	7,168.37
<b>Closing balances</b>		
Long-term borrowings (including current maturities)(Note No. 18)	53,995.92	48,027.09
Short-term borrowings (Note No. 23)	7,726.40	7,239.98

Note : There are no non cash movement in above borrowings

Material accounting policies and notes form an integral part of the Financial Statements. 1 to 62

As per our attached report of even date

For and on behalf of the Board of Directors

**For GMJ & CO**

Chartered Accountants

Firm's Registration No.: 103429W

**AMIT MAHESHWARI**

Partner

Membership No.: 428706

UDIN: 25428706BMIOYS2785

Mumbai, May 28, 2025

**R N AGARWAL**

Chairman & Managing Director

DIN 00176440

**P K MUNDRA**

Executive Director & CFO

DIN 10258728

**RAUNAK AGARWAL**

Executive Director

DIN 02173330

**POOJA DAFTARY**

Company Secretary

# Statement of changes in equity for the year ended March 31, 2025

## A) Equity Share Capital

(₹ in lakhs except number of shares)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Balance at the beginning of the current reporting period	1,70,19,100	1,701.91	1,70,19,100	1,701.91
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	1,70,19,100	1,701.91	1,70,19,100	1,701.91
Changes in equity share capital during the current year	-	-	-	-
Balance at the end of the current reporting period	1,70,19,100	1,701.91	1,70,19,100	1,701.91

## B) Other Equity

(₹ in lakhs)

Particulars	Reserves and surplus				
	Capital reserve	General Reserve	Retained Earnings	FVOCI - equity investments	Total
As at April 1, 2023*	146.25	802.53	60,866.38	46.19	61,861.35
Profit for the year	-	-	12,546.29	-	12,546.29
Other comprehensive income for the year					
Remeasurements gain/(loss) on defined benefit plans.	-	-	(142.70)	-	(142.70)
Equity Instruments	-	-	-	29.95	29.95
Tax on Other Comprehensive Income	-	-	35.92	(3.59)	32.32
Dividends					
Final dividend	-	-	-	-	-
As at March 31, 2024*	146.25	802.53	73,305.85	72.55	74,327.18
Profit for the year	-	-	1,765.10	-	1,765.10
Other comprehensive income for the year					
Remeasurements gain/(loss) on defined benefit plans.	-	-	17.19	-	17.19
Equity Instruments	-	-	-	(10.70)	(10.70)
Tax on Other Comprehensive Income	-	-	(4.33)	2.69	(1.64)
Dividends					
Final dividend	-	-	(340.38)	-	(340.38)
As at March 31, 2025	146.25	802.53	74,743.43	64.54	75,756.76

\*There are no changes in other equity due to change in accounting policy or prior period errors.

Material Accounting Policies and Notes form an integral part of the Financial Statements. 1 to 62

As per our attached report of even date

For and on behalf of the Board of Directors

For GMJ & CO

Chartered Accountants

Firm's Registration No.: 103429W

R N AGARWAL

Chairman & Managing Director

DIN 00176440

RAUNAK AGARWAL

Executive Director

DIN 02173330

AMIT MAHESHWARI

Partner

Membership No.: 428706

UDIN: 25428706BMIOYS2785

Mumbai, May 28, 2025

P K MUNDRA

Executive Director & CFO

DIN 10258728

POOJA DAFTARY

Company Secretary

# Notes to Financial Statements for the year ended March 31, 2025

## NOTE 1: CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

### 1. Corporate Information

N R Agarwal Industries Limited ('the Company') having CIN L22210MH1993PLC133365 is a public limited Company incorporated on December 08, 1993 in India with its registered office at 502-A/501-B, Fortune Terraces, 5<sup>th</sup> Floor, Opposite Citi Mall, New Link Road, Andheri (West), Mumbai -400053 Maharashtra. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is among the leading manufacturers of paper & paper board in India from recycled waste paper.

### 2. Summary of Statement of Compliance, Basis of Preparation and Presentation, Critical Accounting Estimates, Assumptions and Judgements and Material Accounting Policies

#### 2.1 Statement of compliance

The Financial Statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorized for issue on May 28, 2025.

#### 2.2 Basis of preparation and presentation

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the financial statements.

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.

##### Rounding of amounts

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

#### 2.3 Use of accounting estimates, assumptions and judgements

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

# Notes to Financial Statements for the year ended March 31, 2025

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

## 2.3.1 Judgements

Information about judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements is included in the following notes:

### Revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer based on lead time assessment for transfer of goods from one location to other location.

## 2.3.2 Accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

### a) Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

### b) Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

### c) Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### d) Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Material judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Financial statements. Contingent assets are not disclosed in the Financial Statements unless an inflow of economic benefits is probable.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.4 Foreign currency translation

The functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates) is the Indian Rupee (₹).

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss.

## 2.5 Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the preoperative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of an asset.

All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

## 2.6 Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land and Capital work-in-progress are not depreciated.

Schedule II to the Act prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that the useful lives adopted by it reflect the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule II. Management's estimates of the useful lives for various class of PPE are as given below:

## Notes to Financial Statements for the year ended March 31, 2025

Building	10-60 Years
Road and Compound Wall	10 Years
<b>Plant and Equipment:</b>	
Plant & Machinery	10-40 Years
Office Equipment	3-5 Years
Furniture & Fixture	10 Years
Computers & Server	3-6 Years
Vehicles	8 Years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal/adjustments of PPE are recognised in the Statement of Profit and Loss.

### 2.7 Capital work-in-progress ('CWIP') and intangible assets under development

Capital work-in-progress comprises cost of PPE that are not yet ready for their intended use at the year end. Such cost includes indirect expenses incurred during construction period if the recognition criteria are met.

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

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

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

### 2.8 Intangible assets

Intangible assets comprise software licenses.

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of intangibles are as given below:

Asset Useful life: Computer software - 3 years

The estimated useful life is reviewed annually by the management.

### 2.9 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.10 Financial instruments

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

### 2.10.1 Investments and other financial assets:

#### Classification

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

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or through OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI.

#### Financial assets, other than equity instruments

##### Measurement

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement of Financial assets, other than equity instruments, depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its:

##### ➤ Amortised cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a Financial Assets (unhedged) that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the effective interest rate ('EIR') method.

##### ➤ Fair value through other comprehensive income ('FVTOCI')

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR method.

## Notes to Financial Statements for the year ended March 31, 2025

➤ **Fair value through profit or loss ('FVTPL')**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on an investment in financial asset that is subsequently measured at FVTPL (unhedged) is recognised net in the Statement of Profit and Loss in the period in which it arises. Interest income and dividend income if any, from these financial assets is included in other income.

### **Equity instruments**

The Company subsequently measures all equity investments at fair value, except investment in subsidiaries and joint ventures which are measured at cost. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Any equity instrument in the scope of Ind AS 109 is measured at fair value, unless elected to measure at FVOCI.

Investments in Mutual Funds are accounted for at fair value through profit and loss. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

### **Cash and cash equivalents**

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **Trade Receivables**

Trade receivables that do not contain a significant financing component are measured at transaction price.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 "Financial Instruments", which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### **Derecognition of financial assets**

A financial asset is derecognised only when the Company

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

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

# Notes to Financial Statements

for the year ended March 31, 2025

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### 2.10.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 2.10.3 Financial liabilities

The Company's financial liabilities comprise borrowings, lease liabilities, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

#### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. When a new financial liability is recognised in place of an existing one, the difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Presentation

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

Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.10.4 Derivatives and hedging activities

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Company opts to undertake hedge accounting, the Company documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

### Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement. When the hedged forecast transaction results in the recognition of a nonfinancial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Statement of Profit and Loss.

### Fair Value Hedges

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

### Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted through FVTPL.

As at the year end, there were no designated accounting hedges.

The entire fair value of a hedging derivative is classified as a Non-current asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

# Notes to Financial Statements

for the year ended March 31, 2025

## 2.10.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to offset the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## 2.10.6 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

## 2.11 Impairment

### Other financial assets (other than at fair value)

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables, the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### PPE, CWIP and intangible assets

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 ("CGU"). The carrying values of assets / CGU at each balance sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each balance sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, consequent to which such reversal of impairment loss is recognised in the Statement of Profit and Loss.

If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.12 Inventories

Inventories includes Raw Material, Work-in-Progress, Finished goods, Coal, Stores & spares, Consumables and Packing materials. Inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material, stores and spares, packing materials, and other materials are determined on moving average basis. Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

Finished / Semi-Finished Goods: cost includes cost of direct material, labour, other direct cost and a proportion of fixed manufacturing overheads at plant level allocated based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

## 2.13 Revenue recognition/ Revenue from contracts with customers

### 2.13.1 Sale of goods

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue towards satisfaction of performance obligation is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration such as the amount of discounts, incentives, volume rebates, outgoing taxes on sales etc., and the existence of significant financing contracts, non-cash consideration and consideration payable to the customer, if any.

#### Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods or services to the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt

## Notes to Financial Statements for the year ended March 31, 2025

of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

### 2.13.2 Interest income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. Interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

### 2.13.3 Dividend income

Dividend income on investment is recognized when Company's right to receive payment is established.

### 2.13.4 Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

### 2.13.5 Insurance claims

Insurance claims are accounted for based on claims accepted or settled by insurer.

## 2.14 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date. The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. Interest on lease liability is recognised using the effective interest method.

### Company as a lessee

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

#### i) Right-of-use assets

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

## Notes to Financial Statements for the year ended March 31, 2025

If right of use assets are measured at revalued amounts-

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments.

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

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

## 2.15 Employee benefits plans

Employee benefits consist of provident fund, gratuity fund, compensated absences.

### 2.15.1 Short-Term Employee Benefits

Employee benefits such as salaries, wages, short-term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.15.2 Defined contribution plan

The Company makes Provident Fund contributions to regulatory authorities for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund authorities. The Company does not expect any shortfall in the foreseeable future.

## 2.15.3 Defined benefit plans

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972 and is provided on the basis of its actuarial valuation based on the projected unit credit method at each Balance Sheet date and funded through contributions to a Scheme administered by the Life Insurance Corporation of India ('LIC'). Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. Changes in actuarial gains or losses are charged or credited to other comprehensive income in the period in which they arise.

## 2.15.4 Other long-term employee benefit obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation. Changes in actuarial gains or losses are charged or credited to profit or loss in the period in which they arise.

## 2.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets 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 recognized as an expense in the period in which they are incurred.

## 2.17. Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

## 2.18 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

# Notes to Financial Statements for the year ended March 31, 2025

## 2.19 Income tax

### Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value 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.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

## 2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material).

The increase in the provisions due to passage of time is recognised as interest expense.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

## Notes to Financial Statements for the year ended March 31, 2025

Contingent liabilities are disclosed 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 will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the Financial Statements unless an inflow of economic benefits is probable.

### 2.21 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### 2.22. Earnings per Share (EPS)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the financial year.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## 3. Application of new and amended standards

### (A) Amendments to existing Standards (w.e.f. April 01, 2024)

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024: -

Insurance contracts - Ind AS 117 and - Lease Liability in Sale and Leaseback – Amendments to Ind AS 116 These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### (B) Standards notified but not yet effective

On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the possible impact of these amendments on its financial statements.

# Notes to Financial Statements for the year ended March 31, 2025

## Note 2 : Property, Plant and Equipment, Capital Work-In-Progress and Right of Use Assets

### Note 2A: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Freehold Land	Road and Pathway	Factory Buildings	Other - Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Computers	Leasehold Improvements	Total
<b>Gross Carrying Value</b>										
At April 1, 2023	501.17	265.63	7,987.68	2,075.97	45,190.18	1,526.13	1,305.13	86.74	528.36	59,467.00
Additions	-	1,055.65	9,973.44	2,011.65	56,741.93	395.64	493.30	66.16	-	70,737.76
Disposals/Transfer	-	-	-	10.02	3,291.17	21.11	671.47	0.25	-	3,994.02
<b>At March 31, 2024</b>	<b>501.17</b>	<b>1,321.28</b>	<b>17,961.11</b>	<b>4,077.60</b>	<b>98,640.95</b>	<b>1,900.66</b>	<b>1,126.96</b>	<b>152.66</b>	<b>528.36</b>	<b>1,26,210.75</b>
Additions	-	207.33	1,453.05	256.35	10,679.36	35.95	214.94	41.70	-	12,888.69
Disposals/Transfer	-	-	-	69.08	159.05	129.28	194.09	-	-	551.51
<b>At March 31, 2025</b>	<b>501.17</b>	<b>1,528.61</b>	<b>19,414.17</b>	<b>4,264.87</b>	<b>1,09,161.26</b>	<b>1,807.33</b>	<b>1,147.81</b>	<b>194.35</b>	<b>528.36</b>	<b>1,38,547.92</b>
<b>Accumulated Depreciation</b>										
At April 1, 2023	-	157.01	1,678.58	480.79	11,248.13	352.99	566.09	31.19	112.77	14,627.55
Charge for the year	-	30.37	311.39	48.29	2,382.30	160.21	142.25	20.95	100.39	3,196.14
Disposals/Transfer	-	-	-	2.72	1,652.05	19.90	323.08	0.24	-	1,997.98
<b>At March 31, 2024</b>	<b>-</b>	<b>187.38</b>	<b>1,989.97</b>	<b>526.37</b>	<b>11,978.38</b>	<b>493.30</b>	<b>385.26</b>	<b>51.91</b>	<b>213.15</b>	<b>15,825.71</b>
Charge for the year	-	133.60	602.92	69.55	4,792.44	178.64	133.03	41.61	100.39	6,052.18
Disposals/Transfer	-	-	-	31.62	116.33	91.58	172.50	-	-	412.03
<b>At March 31, 2025</b>	<b>-</b>	<b>320.98</b>	<b>2,592.89</b>	<b>564.29</b>	<b>16,654.48</b>	<b>580.37</b>	<b>345.79</b>	<b>93.52</b>	<b>313.54</b>	<b>21,465.85</b>
<b>At March 31, 2025</b>	<b>501.17</b>	<b>1,207.63</b>	<b>16,821.28</b>	<b>3,700.57</b>	<b>92,506.78</b>	<b>1,226.96</b>	<b>802.02</b>	<b>100.83</b>	<b>214.82</b>	<b>1,17,082.07</b>
<b>At March 31, 2024</b>	<b>501.17</b>	<b>1,133.90</b>	<b>15,971.15</b>	<b>3,551.23</b>	<b>86,662.57</b>	<b>1,407.36</b>	<b>741.70</b>	<b>100.75</b>	<b>315.20</b>	<b>1,10,385.03</b>

Note - 1) No revaluation has been done during the year.

2) Title deeds of Immovable Properties are held in name of the Company. (Note 56)

### Note 2B: Capital Work-In-Progress

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening carrying value as at April 1	2,946.40	12,201.96
Additions / adjustments	11,593.40	60,959.18
Transfer to property, plant and equipment	12,565.76	70,214.74
<b>Closing carrying value - as at March 31</b>	<b>1,974.04</b>	<b>2,946.40</b>

#### (a) CWIP Ageing Schedule

(i) as at March, 2025

(₹ in lakhs)

Particulars	Amount in CWIP For a period of				Total
	Less than 1 Year	1-2 year	2-3 year	More than 3 years	
Projects in Progress	1,974.04	-	-	-	1,974.04
Projects temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>1,974.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,974.04</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 2 : Property, Plant and Equipment, Capital Work-In-Progress and Right of Use Assets (Contd)

(ii) as at March, 2024

(₹ in lakhs)

	Less than 1 Year	1-2 year	2-3 year	More than 3 years	Total
Projects in Progress	2,946.40	-	-	-	2,946.40
Projects temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>2,946.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,946.40</b>

### Note 2C: Right of Use Assets

(₹ in lakhs)

Particulars	Land	Building	Total
<b>Gross Carrying Value</b>			
At April 1, 2023	1,618.06	2,135.29	3,753.35
Additions/Adjustment	193.76	-	193.76
Disposal / Adjustment	-	(243.89)	(243.89)
<b>At March 31, 2024</b>	<b>1,811.82</b>	<b>1,891.41</b>	<b>3,703.23</b>
Additions/Adjustment			
Disposal / Adjustment	-	30.38	30.38
<b>At March 31, 2025</b>	<b>1,811.82</b>	<b>1,921.78</b>	<b>3,733.61</b>
<b>Depreciation</b>			
At April 1, 2023	215.29	1,025.77	1,241.06
Depreciation for the year	60.41	339.62	400.03
Disposal / Adjustment	-	(199.28)	(199.28)
<b>At March 31, 2024</b>	<b>275.71</b>	<b>1,166.11</b>	<b>1,441.82</b>
Depreciation for the year	84.50	291.72	376.22
Disposal / Adjustment			-
<b>At March 31, 2025</b>	<b>360.20</b>	<b>1,457.83</b>	<b>1,818.04</b>
<b>Net Carrying Value</b>			
At March 31, 2025	1,451.62	463.95	1,915.57
At March 31, 2024	1,536.12	725.30	2,261.42

Note -

- 1) No revaluation has been done during the year.
- 2) Leasehold Land and Building, where the Company is the lessee and the lease agreements are duly executed in favour of the Company.

# Notes to Financial Statements for the year ended March 31, 2025

## Note 3A : Other Intangible Assets

(₹ in lakhs)

Particulars	Computer Software and Others
<b>Gross Carrying Value</b>	
At April 1, 2023	1401.20
Additions	6.97
Disposals	-
<b>At March 31, 2024</b>	<b>1408.17</b>
Additions	19.70
Disposals	-
<b>At March 31, 2025</b>	<b>1,427.87</b>
<b>Amortization</b>	
At April 1, 2023	434.84
Amortisation for the year	145.10
Disposals	-
<b>At March 31, 2024</b>	<b>579.94</b>
Amortisation for the year	128.97
Disposals	-
<b>At March 31, 2025</b>	<b>708.91</b>
<b>Net carrying value</b>	
At March 31, 2025	718.96
At March 31, 2024	828.23

Note -

- 1) No revaluation has been done during the year.
- 2) The amortization expense of intangible assets has been included under Depreciation and amortisation expenses in the Statement of Profit and Loss.

## Note 3B: Intangible Assets under Development

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Software	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

(a) Intangible Asset Under Development

(i) as on March 2025

	Less than 1 Year	1-2 year	2-3 year	More than 3 years	Total
Project in Progress	-	-	-	-	-
Project Suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements for the year ended March 31, 2025

(ii) as on March 2024

	Less than 1 Year	1-2 year	2-3 year	More than 3 years	Total
Project in Progress	-	-	-	-	-
Project Suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

### Note 4 : Non-Current Investments

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
Investments Carried at Fair value through Profit or loss					
Unquoted, Equity shares fully paid up					
Mahalaxmi Co-Operative Housing Society Ltd.	10	375	0.04	375	0.04
NSE India Ltd	1	1,75,000	2,800.00	-	-
Saraswat Co-Operative Bank Ltd.	10	2,500	0.25	2,500	0.25
<b>Total</b>			<b>2,800.29</b>		<b>0.29</b>
Aggregate book value of unquoted investments			2,800.29		0.29
Aggregate market value of quoted investments			-		-

### Note 5 : Non-Current Financial Assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good)		
Loans to employees	19.37	24.50
<b>Total</b>	<b>19.37</b>	<b>24.50</b>

### Note 6 : Non-Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Rent and other security deposits	140.44	255.64
Balance with Banks		
- Term Deposit (original maturity of 12 months or more)*	289.06	274.15
<b>Total</b>	<b>429.50</b>	<b>529.79</b>

\*Margin money/Security deposits with Bank

# Notes to Financial Statements for the year ended March 31, 2025

## Note 7 : Other Non-current Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	924.61	1,095.47
Deferred lease expenses	24.89	32.73
Prepaid expenses	1.89	-
<b>Total</b>	<b>951.38</b>	<b>1,128.20</b>

## Note 8 : Inventories (At lower of cost and net realisable value)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials - In Stock	6,925.82	9,485.43
Raw Materials - In Transit	595.26	229.68
Work-in-progress	1,101.15	764.99
Finished Goods	3,507.86	2,032.82
Stores and Spares	3,854.27	3,831.98
Coal - In Stock	569.25	417.58
Packing Materials	201.30	178.70
<b>Total</b>	<b>16,754.91</b>	<b>16,941.18</b>

## Note 9 : Current Investments

(₹ in lakhs except number of shares)

Particulars	Face Value	As at March 31, 2025		As at March 31, 2024	
	₹/ Share	No. of Shares	Market Value	No. of Shares	Market Value
<b>(A) Investment Carried at Fair Value through OCI</b>					
Quoted, Equity shares fully paid up					
Bank of Baroda	2	30,000	68.52	30,000	79.21
Bank of India	-	-	-	2,200	3.02
<b>Total (A)</b>			<b>68.52</b>		<b>82.23</b>
<b>(B) Investments Carried at Fair value through Profit or loss</b>					
<b>(i) Quoted, Equity shares fully paid up</b>					
360 One Wam Limited	1	473	4.46	-	-
Aarti Drugs Ltd	10	-	-	5,672	24.63
Aarti Industries Ltd	5	5,157	20.15	-	-
Abb India Ltd	2	222	12.31	-	-
Aditya Birla Capital Ltd	10	3,003	5.56	-	-
Aditya Birla Real Estate Ltd	10	166	3.25	-	-
Aditya Birla Sun Life AMC Ltd	5	1,127	7.18	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 9 : Current Investments (Contd)

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
Apar Industries Ltd	10	963	53.35	-	-
Apollo Pipes Ltd	10	5,824	22.06	3,863	24.56
Arvind Fashions Ltd	4	1,023	3.82	-	-
Ask Automotive Limited	2	6,791	30.27	-	-
Aurobindo Pharma Ltd	1	4,968	57.65	-	-
Axis Bank Ltd	2	2,008	22.13	-	-
Bajaj Consumer Care Ltd.	1	18,500	29.09	-	-
Bajaj Finance Ltd	2	230	20.57	-	-
Bank Of Baroda	2	33,099	75.60	-	-
Bharat Heavy Electricals Ltd	2	10,727	23.22	-	-
Bharti Airtel Ltd	5	11,006	190.52	-	-
Biocon Ltd	5	4,258	14.55	-	-
Borosil Limited	1	7,096	23.71	-	-
Borosil Renewables Ltd - Warrant		37,735	30.62	-	-
Camlin Fine Sciences Ltd	1	12,117	20.33	-	-
Canara Bank	2	7,724	6.87	-	-
Cholamandalam Investment And Finance Company Ltd	2	6,883	104.62	-	-
Concord Biotech Ltd	1	7,492	125.91	-	-
Cyient Ltd	5	1,389	17.57	-	-
Deepak Fertilisers And Petrochemicals Corporation Ltd	10	1,654	18.46	-	-
Dhanuka Agritech Ltd	2	1,251	16.19	-	-
Divis Laboratories Ltd	2	1,932	111.58	-	-
Dollar Industries Ltd	2	2,000	7.82	-	-
Dr.Reddy Laboratories Ltd	5	-	-	827	50.93
Eclerx Services Ltd	10	661	18.36	1,570	37.17
Federal Bank Ltd	2	3,724	7.18	-	-
Flair Writing Industries Limited	5	7,282	16.39	-	-
Ganesha Ecosphere Ltd	10	3,930	61.19	2,502	24.64
Glenmark Life Sciences Ltd/ Alivus Life Sciences Ltd	1	6,704	72.38	3,244	25.19
HCL Technologies Ltd	2	-	-	2,910	44.92
HDFC Bank Ltd	1	1,863	34.06	-	-
Hi-Tech Pipes Ltd	1	19,525	20.01	-	-
Home First Finance Company India Ltd	2	9,231	93.62	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 9 : Current Investments (Contd)

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
Hyundai Motor India Ltd	10	1,114	19.02	-	-
ICICI Bank Ltd	2	1,950	26.29	-	-
ICICI Lombard General Insurance Company Ltd	10	4,457	79.91	-	-
IIFL Finance Ltd	2	1,302	4.27	-	-
Indegene Limited	2	2,300	13.31	-	-
Indiabulls Housing Finance Ltd	2	-	-	1,44,486	243.17
Indian Oil Corporation Ltd.	10	55,000	70.26	-	-
Indus Towers Ltd	10	5,878	19.65	-	-
Infosys Limited	5	-	-	3,707	55.53
Interglobe Aviation Ltd	10	220	11.25	-	-
Inventurus Knowledge Solutions Ltd	1	3,990	61.01	-	-
ION Exchange India Ltd	1	684	3.20	-	-
ITC Hotels Ltd	1	1,197	2.36	-	-
ITC Ltd.	1	11,975	49.07	21,025	90.06
J Kumar Infraprojects Ltd	5	651	4.13	-	-
Jindal Stainless Ltd	2	606	3.52	-	-
Jindal Steel And Power Ltd	2	687	6.27	-	-
Jio Financial Services Ltd	10	-	-	54,700	193.50
Jtekt India Ltd	1	14,987	18.69	-	-
JTL Industries Ltd	1	43,836	33.20	-	-
Jubilant Pharmova Ltd	1	929	8.32	-	-
K.P.R.Mill Ltd	1	2,676	24.26	-	-
Kalpataru Projects International Ltd	2	1,869	18.21	-	-
Kansai Nerolac Paints Ltd	1	1,705	3.97	-	-
Kingfa Science & Technology India Ltd	10	2,783	82.08	1,303	25.47
Kirloskar Pneumatic Co.Ltd.	2	1,237	14.63	-	-
L&T Technology Services Limited	2	499	22.46	-	-
Larsen & Toubro Ltd	2	1,104	38.55	-	-
Laurus Laboritories	2	11,954	73.33	-	-
LIC Housing Finance Ltd	2	1,800	10.15	-	-
Life Insurance Corporation Of India	10	12,120	96.95	-	-
Lloyds Metals & Energy Ltd.	1	23,050	296.31	-	-
LT Foods Ltd	1	1,856	7.07	-	-
Man Industries (India) Ltd.	5	16,500	43.98	-	-
Manappuram Finance Ltd	2	11,294	26.29	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 9 : Current Investments (Contd)

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
Max Financial Services Ltd	2	1,128	12.95	-	-
Medi Assist Healthcare Services Ltd	5	16,600	75.45	-	-
Monte Carlo Fashions Ltd	10	3,676	19.31	-	-
Narayana Hrudayalaya Ltd.	10	12,585	212.86	-	-
Navin Fluorine International Ltd	2	310	13.05	-	-
Nectar Lifesciences Ltd.	1	1,48,000	34.01	-	-
Nippon India Etf Bank Bees	1	29,000	153.36	-	-
NTPC Ltd	10	2,325	8.31	-	-
One 97 Communications Ltd	1	2,250	17.63	-	-
Oracle Financial Services Software Ltd	5	52	4.08	-	-
PCBL Chemical Ltd	1	6,739	28.53	-	-
Phoenix Mills Ltd	2	407	6.69	-	-
PNB Housing Finance Ltd	10	1,194	10.53	-	-
Pricol Ltd	1	7,002	31.61	-	-
Punjab Chemicals & Crop Protection Ltd	10	2,363	21.90	-	-
PVR Inox Ltd	10	610	5.57	-	-
Quick Heal Technologies Ltd	10	5,068	14.55	-	-
Ramkrishna Forgings Ltd	2	3,310	25.60	-	-
Ramky Infrastructure Ltd	10	10,028	44.94	-	-
RBL Bank Ltd	10	40,404	70.18	10,416	25.03
Reliance Industries Ltd	10	12,650	161.29	-	-
S.P. Apparels Ltd	10	1,774	12.09	-	-
Sai Silks (Kalamandir) Ltd	2	6,478	8.53	-	-
Sanathan Textiles Limited	10	1,163	4.21	-	-
Seamec Ltd	10	2,158	21.05	-	-
Shaily Engineering Plastics Ltd	2	2,070	37.83	-	-
Shilpa Medicare Ltd	1	607	4.03	-	-
Solar Industries India Ltd	2	150	16.87	-	-
SRF Ltd	10	1,470	43.21	-	-
State Bank Of India	1	11,325	87.38	-	-
Stylam Industries Ltd	5	1,341	22.09	-	-
Sun Pharma Advanced Research Company Ltd	1	12,101	17.90	-	-
Sun Tv Network Ltd	5	5,773	37.52	-	-
Supreme Industries Ltd	2	1,725	59.10	-	-
Tarc Ltd	2	8,367	10.30	-	-
Tata Communications Ltd	10	790	12.47	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 9 : Current Investments (Contd)

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
Tbo Tek Ltd	1	10,426	125.70	-	-
Tech Mahindra Ltd	5	2,149	30.48	-	-
The Anup Engineering Ltd	10	819	28.46	-	-
The Karnataka Bank Ltd	10	20,779	36.54	-	-
Thejo Engineering Ltd.	10	1,680	29.60	-	-
Thomas Cook (India) Ltd	1	2,318	3.12	-	-
Timken India Ltd	10	702	19.31	-	-
TV18 Broadcast Ltd	10	-	-	6,15,000	285.36
Ultratech Cement Ltd	10	140	16.11	-	-
VA Tech Wabag Ltd	2	3,937	57.27	-	-
Vedanta Ltd	1	12,855	59.62	-	-
Zomato Limited / Eternal Limited	1	35,000	70.53	-	-
Zydus Lifesciences Ltd	1	6,565	58.15	-	-
<b>Total (i)</b>			<b>4,496.41</b>		<b>1,150.17</b>
<b>(ii) Investment in Mutual Fund (Quoted)</b>					
Axis Nifty 50 Index Fund-Direct Plan-Growth		11,30,419	159.05	3,78,070	50.00
Bandhan Nifty 50 Index Fund-Direct Plan-Growth		86,182	44.65	86,182	42.00
DSP NIFTY 1D Rate Liquid ETF		-	-	25,000	250.00
HDFC Focused 30 Fund(G)-Direct Plan		1,43,329	346.61	48,322	100.00
ICICI Pru India Opp Fund(G)-Direct Plan		9,32,657	335.20	3,14,450	100.00
ICICI Pru Nifty Index Fund(G)-Direct Plan		18,223	44.65	-	-
ICICI Pru Nifty Next 50 Index Fund(G)-Direct Plan		1,43,229	83.40	18,223	42.00
ICICI Prudential Nifty Bank Index Fund-Direct Plan-Growth		6,22,299	91.64	3,13,888	42.00
Motilal Oswal Nifty India Defence Index Fund Direct Plan Growth		9,99,950	83.86	-	-
Nippon India Multi Cap Fund(G)-Direct Plan		1,02,506	302.10	-	-
Nippon India Nifty Midcap 150 Index Fund-Direct Plan-Growth		14,28,025	314.92	4,88,402	100.00
Parag Parikh Flexi Cap Fund-Direct-Growth		1,69,405	145.35	56,098	42.00
Quant Flexi Cap Fund-Growth Option-Direct Plan		4,39,583	443.85	-	-
Tata Large & Mid Cap Fund -Direct Plan-Growth Option		28,398	158.80	9,603	50.00

## Notes to Financial Statements for the year ended March 31, 2025

### Note 9 : Current Investments (Contd)

(₹ in lakhs except number of shares)

Particulars	Face Value ₹/ Share	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Market Value	No. of Shares	Market Value
UTI Nifty 200 Momentum 30 Index Fund-Direct Plan-Growth		7,81,038	152.30	3,93,127	83.00
<b>Total (ii)</b>			<b>2,706.38</b>		<b>901.00</b>
<b>Total (B)</b>			<b>7,202.79</b>		<b>2,051.16</b>
<b>Total (A) + (B)</b>			<b>7,271.31</b>		<b>2,133.39</b>
Aggregate book value of unquoted investments			-		-
Aggregate market value of quoted investments			7,271.31		2,133.39

### Note 10 : Current Financial Assets - Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables- Considered Good, Secured	-	-
Trade receivables- Considered Good, Unsecured	18,642.66	8,695.86
Trade receivables which have significant increase in credit risk	1.89	1.89
Trade receivables - Credit impaired	-	-
<b>Total</b>	<b>18,644.55</b>	<b>8,697.75</b>
Less: Allowance for bad and doubtful debts/loss allowance	(1.89)	(1.89)
<b>Total Trade Receivables</b>	<b>18,642.66</b>	<b>8,695.86</b>

Trade Receivable Ageing Schedule - Outstanding for period from due date ( As on March 31, 2025 )\*

(₹ in lakhs)

	Undisputed Trade receivables - considered good	Undisputed Trade receivables which have significant increase in credit risk	Undisputed Trade Receivables - credit impaired	Disputed Trade Receivable - considered good, which have significant increase in credit risk, credit impaired	Total
Not Due	17,425.47	-	-	-	17,425.47
Less than 6 months	1,183.84	-	-	-	1,183.84
6 months to 1 year	33.35	1.89	-	-	35.24
1-2 year	-	-	-	-	-
2-3 Year	-	-	-	-	-
More than 3 years	-	-	-	-	-
	<b>18,642.66</b>	<b>1.89</b>	<b>-</b>	<b>-</b>	<b>18,644.55</b>
Less: Allowance for bad and doubtful debts	-	(1.89)	-	-	(1.89)
<b>Total</b>	<b>18,642.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,642.66</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 10 : Current Financial Assets - Trade Receivables (Contd)

Trade Receivable Ageing Schedule - Outstanding for period from due date ( As on March 31, 2024 )\*

(₹ in lakhs)

	Undisputed Trade receivables – considered good	Undisputed Trade receivables which have significant increase in credit risk	Undisputed Trade Receivables – credit impaired	Disputed Trade Receivable – considered good, which have significant increase in credit risk, credit impaired	Total
Not Due	8,515.69	-	-	-	8,515.69
Less than 6 months	148.22	-	-	-	148.22
6 months to 1 year	28.02	0.72	-	-	28.74
1-2 year	2.88	0.72	-	-	3.60
2-3 Year	-	-	-	-	-
More than 3 years	1.05	0.45	-	-	1.50
	<b>8,695.86</b>	<b>1.89</b>	-	-	<b>8,697.75</b>
Less: Allowance for bad and doubtful debts	-	(1.89)	-	-	(1.89)
<b>Total</b>	<b>8,695.86</b>	<b>0.00</b>	-	-	<b>8,695.86</b>

There are no unbilled receivables as at March 31, 2025 and March 31, 2024.

- The credit period ranges from 30 days to 120 days
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. An amount of ₹75.31 lakhs is receivable from Maruti Paper Corporation (belonging to relative of a Director)

### Note 11: Current Financial Assets - Cash and Bank Balances

#### (A) : Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Banks:		
in Current accounts	1.80	6.58
in Term deposit (with less than 3 months maturities)*	54.55	-
Cash on hand	10.25	10.76
<b>Total</b>	<b>66.60</b>	<b>17.34</b>

\*Margin money/Security deposits with Bank

# Notes to Financial Statements for the year ended March 31, 2025

## Note 11: Current Financial Assets - Cash and Bank Balances (Contd)

### (B) : Bank balances other than Cash and Cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Earmarked balances with bank</b>		
Term Deposit (with more than 3 months and less than 12 months maturities)*	83.96	1,738.93
Unclaimed dividend account	20.64	22.75
<b>Total</b>	<b>104.60</b>	<b>1,761.68</b>

\*Margin money/Security deposits with Bank

## Note 12 : Current Financial Assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good)		
Loans to employees	69.96	96.79
<b>Total</b>	<b>69.96</b>	<b>96.79</b>

## Note 13 : Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Rent and Other Security deposits	454.20	39.47
Interest on deposit	76.07	35.06
Claim and other receivable*	955.74	-
Balance with Banks		
- Term Deposit (original maturity of 12 months or more)**	1,972.43	-
<b>Total</b>	<b>3,458.43</b>	<b>74.53</b>

1. \*Includes interest subsidy amounting to ₹701.11 Lakhs (F.Y. 2023-24: Nil) and Electricity Duty Refund amounting to ₹210.58 Lakhs (F.Y. 2023-24: Nil) receivable from Government under Aatmanirbhar Gujarat Scheme for Assistance to Large Industries and Thrust Sector.

2. \*\*Margin money/Security deposits with Bank

## Note 14 : Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Income Tax/ Tax deducted at source (net of provisions)	436.13	145.42
<b>Total</b>	<b>436.13</b>	<b>145.42</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 15 : Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to employees	0.45	11.73
Commercial Advances	451.70	478.69
Advance for Investments	-	1,442.50
Prepaid expenses	257.19	64.98
Balances with Government authorities*	3,268.67	5,085.34
Export benefits receivable	111.60	54.98
Other Advances and Receivables**	165.39	1,362.12
<b>Total</b>	<b>4,255.01</b>	<b>8,500.34</b>

- \*Includes GST balances with Government.
- \*\*Includes cash balance with PMS (Portfolio Management Service) amounting to ₹106.72 Lakhs.(F.Y. 23-24 1,319.61 Lakhs).

## Note 16 : Equity Share Capital

### (A) Equity share capital

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>a) Authorized</b>		
225,00,000 Equity Shares of ₹10/- each (March 31, 2024: 225,00,000 Equity Shares of ₹10/- each)	2,250.00	2,250.00
25,00,000 Preference Shares of ₹10/- each (March 31, 2024: 25,00,000 Preference Shares of ₹10/- each)	250.00	250.00
<b>Issued, subscribed and fully paid-up</b>		
1,70,19,100 Equity Shares of ₹10 each (March 31, 2024: 1,70,19,100 Equity Shares of ₹10/- each)	1,701.91	1,701.91

(No. of shares)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>b) Reconciliation of the shares outstanding at the beginning and at the end of the year</b>		
At the beginning of the year	1,70,19,100	1,70,19,100
Add: Equity shares issued during the year	-	-
At the end of the year	1,70,19,100	1,70,19,100

# Notes to Financial Statements for the year ended March 31, 2025

## Note 16 : Equity Share Capital (Contd)

### c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### d) Shares Held by Holding Company

There is no Holding Company

### e) Details of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers):

Name of Shareholders	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Shri R N Agarwal	79,78,105	46.88	79,78,105	46.88
Smt Reena Agarwal	45,38,861	26.67	45,38,861	26.67

f) None of above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

g) Agregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date - NIL

### h) Details of Shares held by the promoters at the end of the year

Promoter Name	As at March 31, 2025		
	No. of Shares	% of Total Shares	% Change during the year
R N Agarwal	79,78,105	46.88%	-
Reena Agarwal	45,38,861	26.67%	-
Raunak Agarwal	1,000	0.01%	-
Rohan Agarwal	1,000	0.01%	-
<b>Total</b>	<b>1,25,18,966</b>	<b>73.56%</b>	

Promoter Name	As at March 31, 2024		
	No. of Shares	% of Total Shares	% Change during the year
R N Agarwal	79,78,105	46.88%	-
Reena Agarwal	45,38,861	26.67%	-
Raunak Agarwal	1,000	0.01%	0.01%
Rohan Agarwal	1,000	0.01%	0.01%
<b>Total</b>	<b>1,25,18,966</b>	<b>73.56%</b>	

# Notes to Financial Statements for the year ended March 31, 2025

## Note 16 : Equity Share Capital (Contd)

### i) Dividend

The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the Company and other internal and external factors enumerated in the Company's dividend policy.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>A) Declared and paid during the year:</b>		
Final Dividend for the F.Y. 2023-24: ₹2/- per share (F.Y. 2022-23: ₹ Nil per share)	340.38	-
	<b>340.38</b>	<b>-</b>
<b>B) Proposed for approval at the annual general meeting (not recognised as a liability)</b>		
Final Dividend for the F.Y. 2024-25: ₹2/- per share (F.Y. 2023-24: ₹2/- per share)	340.38	340.38
<b>Total</b>	<b>340.38</b>	<b>340.38</b>

## Note 17: Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve	146.25	146.25
General Reserve	802.53	802.53
Retained Earnings	74,743.43	73,305.85
Equity instruments through other comprehensive income	64.54	72.55
<b>Total</b>	<b>75,756.76</b>	<b>74,327.18</b>

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>a) Capital Reserve</b>		
Opening Balance	146.25	146.25
Add: Transfer During the year	-	-
<b>Closing Balance</b>	<b>146.25</b>	<b>146.25</b>
Note : Transferred from Share Warrants Forfeiture Account in FY 2016-17		
<b>b) General Reserve</b>		
Opening Balance	802.53	802.53
Add: Transfer During the year	-	-
<b>Closing Balance</b>	<b>802.53</b>	<b>802.53</b>
Note : General Reserve was created against declaration of Dividend		

# Notes to Financial Statements for the year ended March 31, 2025

## Note 17: Other Equity (Contd)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>c) Retained Earnings</b>		
Opening balance	73,305.85	60,866.38
Net profit for the year	1,765.10	12,546.29
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
Remeasurement of post employment benefit obligation (Gratuity), net of tax	12.87	(106.79)
Dividend	(340.38)	-
<b>Closing balance</b>	<b>74,743.43</b>	<b>73,305.85</b>
Note: Represents accumulated profits set apart by way of transfer of current year profits from Statement of Profit and Loss comprised in Retained Earnings for other than specified purpose.		
<b>d) Equity instruments through other comprehensive income</b>		
Opening balance	72.55	46.19
Equity instruments through other comprehensive income	(10.70)	29.95
Income tax effect on above	2.69	(3.59)
<b>Closing balance</b>	<b>64.54</b>	<b>72.55</b>

Note: Represents fair value measurement gain or (loss) of equity instruments measured through other comprehensive income.

## Note 18 : Non - Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
Loans from Banks:		
- Term Loans	53,642.42	47,643.86
- Vehicle Loans	511.24	383.23
	<b>54,153.66</b>	<b>48,027.09</b>
Less:- Current maturities disclosed under other current borrowings (Refer note 23)		
- Term Loans	4,250.00	3,375.01
- Vehicle Loans	124.90	73.68
	<b>4,374.90</b>	<b>3,448.69</b>
	<b>49,778.76</b>	<b>44,578.40</b>
<b>Unsecured</b>		
Loan from Directors	353.50	-
	<b>353.50</b>	<b>-</b>
<b>Total</b>	<b>50,132.26</b>	<b>44,578.40</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 18 : Non - Current Financial Liabilities - Borrowings (Contd)

#### Nature of Security and terms of repayment for Long Term secured Borrowings: -

(₹ in lakhs)

Bank Name	Terms of repayment & Security	As at March 31, 2025	As at March 31, 2024
A - Term Loans from Banks: -			
State Bank of India	<p><b>Secured by way of:</b></p> <p>(i) First pari pasu charge on the Building, Plant &amp; Machinery of Unit V PM-2 at Sarigam, Gujarat.</p> <p>(ii) First pari-pasu charge on the Company owned factory land of Unit V and Unit V PM-2 admeasuring 273199 sq mtrs (excluding non agricultural land 26.26 acres located at Sarigam, Gujarat).</p> <p>(iii) Second Pari-pasu charge on the Building, Plant &amp; Machinery (present &amp; future) of Unit V (PM 1) located at Sarigam, Gujarat.</p> <p>(iv) Second Pari-pasu charge on the Land, Building, Plant &amp; Machinery (present &amp; future) of Unit I, III and IV located at Vapi, Gujarat.</p> <p>(v) Second pari-pasu charge over the entire current assets of the Company, (present &amp; future).</p> <p>(vi) Promoters share's which were pledged are converted into non disposal undertaking.</p> <p>(vii) Personal guarantees of Shri R N Agarwal, Shri Raunak Agarwal and Smt Reena Agarwal</p> <p><b>Terms of Repayment:</b> The term loan is to be repaid in 28 equal quarterly installments of ₹562.50 lakhs each, commencing from December 2024. The loan was converted into a Foreign Currency Non-Resident (FCNR) account on 4<sup>th</sup> November 2024 and has been hedged through a forward contract until 2<sup>nd</sup> May 2025. Thereafter, the outstanding loan amount may be converted into Indian Rupees (INR) or rolled over in (FCNR) and repayment will continue accordingly in INR for the remaining installments.</p>	21,375.00	22,377.00

## Notes to Financial Statements for the year ended March 31, 2025

### Note 18 : Non - Current Financial Liabilities - Borrowings (Contd)

(₹ in lakhs)

Bank Name	Terms of repayment & Security	As at March 31, 2025	As at March 31, 2024
Punjab National Bank	<p><b>Secured by way of</b></p> <p>(i) First pari pasu charge on the Building, Plant &amp; Machinery of Unit V PM-2 at Sarigam, Gujarat.</p> <p>(ii) First pari-pasu charge on the Company owned factory land of Unit V and Unit V PM-2 admeasuring 273199 sq mtrs (excluding non agricultural land 26.26 acres located at Sarigam, Gujarat).</p> <p>(iii) Second Pari-pasu charge on the Building, Plant &amp; Machinery (present &amp; future) of Unit V (PM 1) located at Sarigam, Gujarat.</p> <p>(iv) Second Pari-pasu charge on the Land, Building, Plant &amp; Machinery (present &amp; future) of Unit I, III and IV located at Vapi, Gujarat.</p> <p>(v) Second pari-pasu charge over the entire current assets of the Company, (present &amp; future).</p> <p>(vi) Pledge over entire equity shares of Promoters. (Request to convert in non-diposed undertaking is pending with the bank).</p> <p>(vii) Personal guarantees of Shri R N Agarwal, Shri Raunak Agarwal and Smt Reena Agarwal</p> <p><b>Terms of Repayment:</b> The term loan is to be repaid in 28 equal quarterly installments of ₹500 lakhs each, commencing from December 2024. The loan was converted into a Foreign Currency Term Loan (FCTL) account on 2<sup>nd</sup> February, 2025 and has been hedged through a forward contract until 5<sup>th</sup> August, 2025. Thereafter, the outstanding loan amount may be converted into Indian Rupees (INR) or rolled over in FCTL and repayment will continue accordingly in INR for the remaining installments.</p>	18780.47	17766.86
Bajaj Finance Ltd	Secured by way of first pari passu charge on movable assets including plant and machinery and immovable assets at Unit I, Unit III and IV at Vapi present and future. Second pari-pasu charge over the entire current assets of the Company, (present & future). Personal guarantee of Shri R N Agarwal (Fully repaid).	-	7,500.00

## Notes to Financial Statements for the year ended March 31, 2025

### Note 18 : Non - Current Financial Liabilities - Borrowings (Contd)

(₹ in lakhs)

Bank Name	Terms of repayment & Security	As at March 31, 2025	As at March 31, 2024
Saraswat Co-operative Bank Ltd. - Term Loan - 1	<p><b>Main Security: -</b> Secured by way of First charge by way of hypothecation of Plant &amp; Machinery at PM 1 at Unit V - located at S.No. 69/1,P3,69/1/P/ P1, 72, P3-P4 at Village Sarigam &amp; Angam, Umbergaon, Gujarat.</p> <p><b>Prime cum Collateral Hypothecation -</b> First charge by way of hypothecation of movable assets including plant and machinery at Unit-1 / P, 168/, 167/1 and 169 at Vapi, GIDC Road, Valsad - 396 195 present and future.</p> <p><b>Common Security:</b> <b>Collateral Security:</b> - First charge by way of mortgage of immovable assets at Unit I - 167/P, 168/, 167/1 &amp; 169 at Vapi, GIDC Road, Valsad - 396195, Unit III and IV - Plot No. 901/P, (Unit 3) and Plot No. 901/P (Unit 4) Vapi, GIDC Road, Valsad - 396 195, present and future, owned by Applicant Company.</p> <p>- Personal guarantees of Shri R N Agarwal, Shri Raunak Agarwal and Smt Reena Agarwal</p> <p>Terms of repayment - 32 quarterly installments of ₹300 lakhs to start from April 2027.</p>	12,486.96	-
Saraswat Co-operative Bank Ltd. - Term Loan - 2	<p><b>Main Security: -</b> Secured by way of First charge by way of hypothecation of Plant &amp; machinery at PM 1 at Unit V - located at S.No. 69/1,P3,69/1/P/ P1, 72, P3-P4 at Village Sarigam &amp; Angam, Umbergaon, Gujarat.</p> <p><b>Prime cum Collateral Hypothecation -</b> First charge by way of hypothecation of movable assets including plant and machinery at Unit-1 / P, 168/, 167/1 and 169 at Vapi, GIDC Road, Valsad - 396 195 present and future.</p> <p><b>Common Security:</b> <b>Collateral Security:</b> - First charge by way of mortgage of immovable assets at Unit I - 167/P, 168/, 167/1 &amp; 169 at Vapi, GIDC Road, Valsad - 396195, Unit III and IV - Plot No. 901/P, (Unit 3) and Plot No. 901/P (Unit 4) Vapi, GIDC Road, Valsad - 396 195, present and future, owned by Applicant Company.</p> <p>- Personal guarantees of Shri R N Agarwal, Shri Raunak Agarwal and Smt Reena Agarwal</p> <p>Terms of repayment - 32 quarterly installments of ₹31.25 Lakhs to start from April 2027.</p>	1,000.00	-
	<b>Total (A)</b>	<b>53,642.42</b>	<b>47,643.86</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 18 : Non - Current Financial Liabilities - Borrowings (Contd)

#### B - Vehicle Loans from Banks:-

(₹ in lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
<b>Bank of Baroda</b>	Terms Of Repayment:		
Vehicle Loan 1	Repayable in 60 fixed monthly installment (EMI) of ₹2,37,606.	85.06	103.54
Vehicle Loan 2	Repayable in 60 fixed monthly installment (EMI) of ₹6,30,942.	230.89	279.69
Vehicle Loan 3	Repayable in 60 fixed monthly installment (EMI) of ₹2,85,116.	126.30	-
<b>Saraswat Co-operative Bank Ltd.</b>	Terms Of Repayment:		
Vehicle Loan 4	Repayable in 36 fixed monthly installment (EMI) of ₹2,17,337.	69.00	-
	<b>Total (B)</b>	<b>511.24</b>	<b>383.23</b>
	<b>Total (A)+(B)</b>	<b>54,153.66</b>	<b>48,027.09</b>

All vehicle loans are secured by hypothecation of respective vehicle.

### Note 19 : Non-Current Financial Liabilities - Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	1,851.53	2,230.64
<b>Total</b>	<b>1,851.53</b>	<b>2,230.64</b>

Refer Note 48 for movement of lease liabilities

### Note 20 : Non-Current Financial Liabilities - Others

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Dealers deposits	538.90	496.00
<b>Total</b>	<b>538.90</b>	<b>496.00</b>

### Note 21 : Non-Current Provisions

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Provision for employee benefits:-</b>		
Leave obligations	386.45	393.09
<b>Total</b>	<b>386.45</b>	<b>393.09</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 22: Income tax

a) Income Tax Expense in the Statement of Profit and Loss comprises:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax (Net of refund of earlier years)	(701.59)	2,232.07
Deferred Tax	532.11	(1,015.14)
<b>Total</b>	<b>(169.48)</b>	<b>1,216.93</b>

b) Reconciliation of Tax Expense and the Accounting Profit

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit before Income Taxes	1,595.62	13,763.22
Enacted tax rate in India	25.17%	25.17%
Computed Expected Tax Expenses	401.59	3,463.93
Long Term Capital Gain	-	-
Depreciation and Difference in Tax Rate	2,650.97	(2,323.85)
Effect of Deduction of Donation	-	-
Expenses/Income not consider for Tax purpose and Others	(88.02)	76.85
Losses carried forward to future years	(2,432.43)	-
Tax (Net of refund of earlier years)	(701.59)	-
<b>Income Tax Expense Net</b>	<b>(169.48)</b>	<b>1,216.93</b>

c) Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2024	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
<b>Deferred income tax assets</b>				
Expenditure deductible for Tax purposes in Future Period/Tax Losses carried forward	37.50	2,192.18	-	2,229.67
Equity Instrument Through OCI	(3.58)	-	2.69	(0.89)
Provisions for Employee Benefits	157.08	(21.02)	(4.33)	131.73
Loss allowance on Trade Receivables	0.48	-	-	0.48
Lease Liabilities and Right-of-use Assets	135.00	(52.30)	-	82.70
	<b>326.46</b>	<b>2,118.86</b>	<b>(1.64)</b>	<b>2,443.69</b>
<b>Deferred income tax liabilities</b>				
Temporary difference in the carrying amount of Property, Plant and Equipment	7,906.97	2,650.97	-	10,557.94
	<b>7,906.97</b>	<b>2,650.97</b>	<b>-</b>	<b>10,557.94</b>
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(7,580.51)</b>	<b>(532.11)</b>	<b>(1.64)</b>	<b>(8,114.24)</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 23 : Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
Working Capital loan from Banks	7,601.50	7,239.98
Current maturities of long term borrowings		
-Term Loans	4,250.00	3,375.01
-Vehicle Loans	124.90	73.68
	<b>4,374.90</b>	<b>3,448.69</b>
<b>Total</b>	<b>11,976.40</b>	<b>10,688.66</b>

Note:- Working capital loan from Banks are secured by a) first pari passu charge by way of hypothecation of all the stocks, book debts and all other movable current assets of the Company. b) Second pari passu charge over the Fixed Assets of the Company situated at Unit I,III, IV at Vapi both present and future.c) Second Pari passu charge over the Fixed Assets of the Company situated at Unit V & Unit V PM2 at Sarigam both present and future except non -agricultural land admeasuring to 26.26 Acres and d) personal Guarantee of Shri R N Agarwal , Smt Reena Agarwal and Shri Raunak Agarwal

The Company has filed quarterly returns or statements with the banks for the sanctioned working capital facilities, which are in agreement with unaudited books of accounts of the Company of the respective quarters with insignificant discrepancies.

## Note 24 : Current Financial Liabilities - Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	392.65	404.60
<b>Total</b>	<b>392.65</b>	<b>404.60</b>

Refer Note 48 for movement of lease liabilities

## Note 25 : Current Financial Liabilities - Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Total outstanding dues of micro and small enterprises</b>		
Trade payable to micro and small enterprises	1,990.43	1,084.44
<b>Total outstanding dues of creditors other than micro and small enterprises</b>		
- Acceptances*	10,677.29	240.37
- Trade payable other than acceptances	10,369.06	4,956.54
<b>Total</b>	<b>23,036.79</b>	<b>6,281.35</b>

- \*These Trade Payables are settled through bill discounting/vendor financing arrangements facilitated by financial institutions.
- Trade payables are non-interest bearing and are normally settled within 15 - 120 days

# Notes to Financial Statements for the year ended March 31, 2025

## Note 25 : Current Financial Liabilities - Trade Payables (Contd)

Trade Payable Ageing Schedule - Outstanding for following periods from transaction date (as at March 31, 2025)

(₹ in lakhs)

Particulars	Less than 1 year	1-2 year	2-3 Year	More than 3 years	Total
(i) MSME	1,990.43	-	-	-	1,990.43
(ii) Others	21,013.72	25.08	7.56	-	21,046.36
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
<b>Total</b>	<b>23,004.15</b>	<b>25.08</b>	<b>7.56</b>	<b>-</b>	<b>23,036.79</b>

Trade Payable Ageing Schedule - Outstanding for following periods from transaction date (as at March 31, 2024)

(₹ in lakhs)

Particulars	Less than 1 year	1-2 year	2-3 Year	More than 3 years	Total
(i) MSME	1,084.44	-	-	-	1,084.44
(ii) Others	5,164.71	18.20	13.20	0.79	5,196.91
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
<b>Total</b>	<b>6,249.15</b>	<b>18.20</b>	<b>13.20</b>	<b>0.79</b>	<b>6,281.35</b>

There are no unbilled dues as at March 31, 2025 and March 31, 2024.

Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2025 is given below.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	1,990.43	1,084.44
Interest	-	-
ii) The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 25 : Current Financial Liabilities - Trade Payables (Contd)

The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are ₹ Nil (F.Y. 23-24: ₹ Nil)

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## Note 26 : Current Financial Liabilities - Others

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	135.03	241.10
Unclaimed Dividends	20.64	22.75
Salary and wages payable	786.02	661.99
Other payables for expenses	583.73	2,315.88
Derivative Forward contract	280.34	-
Creditors for Capital Expenditure *	818.66	3,641.82
<b>Total</b>	<b>2,624.43</b>	<b>6,883.55</b>

\*Includes MSME vendors of ₹109.26 Lakhs, (F.Y. 23-24: ₹930.18 Lakhs) and Retention money of ₹505.91 Lakhs (F.Y. 23-24: ₹2,711.24 Lakhs).

## Note 27 : Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues*	228.84	228.13
Trade advances	72.65	79.20
<b>Total</b>	<b>301.49</b>	<b>307.33</b>

\*Includes payable to Government for TDS, TCS, PF, PT, ESIC and GST

## Note 28 : Current Provisions

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity	101.52	185.40
Leave obligations	35.45	45.63
<b>Total</b>	<b>136.97</b>	<b>231.03</b>

## Note 29 : Current Tax Liability (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Tax (Net of Advance Tax)	-	551.14
<b>Total</b>	<b>-</b>	<b>551.14</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 30 : Revenue from Operations

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Sale of Products</b>		
Domestic Sale	1,35,810.16	1,14,047.28
Export Sale	28,001.11	14,251.72
<b>Total Sale of Products</b>	<b>1,63,811.27</b>	<b>1,28,299.00</b>
<b>Other Operating Revenue:</b>		
Profit on Sale of Raw Material	795.36	24.94
Sale of Scrap	689.63	434.30
Export Incentives	606.91	579.56
<b>Total</b>	<b>1,65,903.17</b>	<b>1,29,337.80</b>

### Note 31: Other Income

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Interest Income</b>		
On Term deposits with banks	120.19	161.74
On Income Tax Refund	306.45	-
On Earned Credit Sale	90.58	167.64
On Financial Assets measured at Amortised Cost		
-Security Deposit	22.09	22.79
On Others	5.08	31.00
<b>Other Non-operating income</b>		
Net Gain on Foreign Currency Transactions and Translation	376.97	440.01
Net Gain/ (Loss) Fair value Changes		
-Realised Gain/ (Loss)	(133.69)	(33.41)
-Unrealised Gain/(Loss)	1,472.67	(176.72)
Profit on Sales of Assets (Net)	603.03	-
Other Non Operating Income	276.30	124.30
<b>Total</b>	<b>3,139.66</b>	<b>737.35</b>

### Note 32: Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Waste paper	81,712.96	55,928.69
Chemical	20,791.66	14,322.66
Packing Material	3,657.29	2,028.97
<b>Total</b>	<b>1,06,161.90</b>	<b>72,280.32</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 33: Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade (₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Inventory at the end of the year</b>		
Finished goods	3,507.86	2,032.82
Work-in-progress	1,101.15	764.99
	<b>4,609.00</b>	<b>2,797.81</b>
<b>Inventory at the beginning of the year</b>		
Finished goods	2,032.82	1,737.37
Work-in-progress	764.99	772.91
	<b>2,797.81</b>	<b>2,510.28</b>
<b>Total</b>	<b>(1,811.20)</b>	<b>(287.53)</b>

## Note 34: Employee Benefits Expense (₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and Wages	8,877.21	7,368.46
Contribution to Provident and other Funds	572.75	471.97
Staff Welfare Expenses	307.13	208.26
<b>Total</b>	<b>9,757.10</b>	<b>8,048.69</b>

## Note 35: Finance Cost (₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest Expenses*	5,366.08	646.62
Interest Cost on Financial Liabilities measured at Amortised Cost		
- Lease Liabilities	243.98	173.91
Other Borrowings Cost	25.73	99.34
Other Bank Charges**	455.40	134.32
<b>Total</b>	<b>6,091.19</b>	<b>1,054.19</b>
<b>1. *The break up of interest expense into major heads is given below:</b>		
On Term Loans	4,333.22	222.69
Less: Interest Subsidy <sup>^</sup>	701.11	-
On Term Loans (Net)	<b>3,632.11</b>	<b>222.69</b>
On Working Capital Loans	1,287.15	311.10
Others	446.81	112.83
<b>Total</b>	<b>5,366.08</b>	<b>646.62</b>

- \*\*Includes Mark to Market on forward contracts amounting to ₹280.34 Lakhs (F.Y. 2023-24: Nil).
- <sup>^</sup>Interest subsidy receivable from Government under Aatmanirbhar Gujarat Scheme for Assistance to Large Industries and Thrust Sector amounting to ₹701.11 Lakhs (F.Y. 2023-24: Nil).
- Interest on Borrowed funds Capitalised Nil (F.Y. 2023-24: ₹3,398.91 Lakhs).

## Notes to Financial Statements for the year ended March 31, 2025

### Note 36: Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property, Plant and Equipment	6,052.18	3,196.14
Depreciation on Right-of-use Assets	376.22	400.03
Amortisation of Intangible Assets	128.97	145.10
<b>Total</b>	<b>6,557.36</b>	<b>3,741.27</b>

### Note 37: Other Expenses

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power, Fuel and Water*	25,017.68	19,089.96
Consumption of Stores, Spares and Tools	4,605.72	4,068.08
Material handling charges	3,868.85	2,473.29
Repairs and Maintenance:		
Plant and Machinery	500.58	551.26
Buildings	93.23	177.45
Others	208.17	366.61
General Expenses	1,299.12	825.22
Selling and Distribution Expenses	1,965.99	1,145.42
Carriage Outward	2,197.26	712.82
Rent, Rates and Taxes	130.17	162.73
Insurance	187.56	152.94
Legal and Professional Fees	257.50	299.94
Director's Sitting Fees	12.20	11.90
Payment to Auditors**	21.32	17.48
Travelling and Conveyance Expenses	82.85	70.33
Expenditure on Corporate Social Responsibility	158.34	271.95
Loss on sale /discard of PPE	-	259.47
Impairment loss on Assets held for sale	-	792.46
Management fees On Investment	62.00	3.02
Asset Written Off	4.64	8.53
Miscellaneous Expenses	17.67	14.12
<b>Total</b>	<b>40,690.86</b>	<b>31,474.98</b>

- \*Net of Electricity Duty subsidy receivable from Government under Aatmanirbhar Gujarat Scheme for Assistance to Large Industries and Thrust Sector amounting to ₹210.58 Lakhs (F.Y. 2023-24: Nil).

# Notes to Financial Statements for the year ended March 31, 2025

## Note 37: Other Expenses (Contd)

### 2. \*\*Payment to Statutory Auditor

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Statutory Audit Fees	19.00	17.00
Fees for Certificates and Other Services	1.45	-
Out of pocket expenses	0.87	0.48
<b>Total</b>	<b>21.32</b>	<b>17.48</b>

## Note 38: Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>i) Contingent Liabilities</b>		
(i) Disputed Excise Duty/Service Tax/GST/Custom Duty demands	322.53	443.25
(ii) Disputed Income Tax demands	2,942.22	2,942.22
(iii) On account of guarantees given to the bankers	1,201.36	1,751.79
(iv) Other claims against the Company not acknowledged as debts		
Labour	72.92	64.78
Other matters(Pipeline)	441.54	441.54
<b>ii) Commitments:</b>		
<b>(i) Capital commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	2,550.15	854.88
<b>(ii) EPCG Commitments</b>		
Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty	4,851.49	13,448.74

### Notes:

- (i) We are in receipt of Order u/s 143(3) r.w.s 154 for A.Y 2020-21 dated 17.11.2023 wherein the Income tax department has raised a demand of ₹2,167.71 Lakhs. Out of this figure, a demand of ₹212.69 Lakhs is rectifiable for which application u/s 154 is already submitted vide letter dated 05.02.2023. The order u/s 154 is awaited. For Balance demand, we have preferred an appeal with Hon'ble Commissioner of Income Tax (Appeals). A stay petition u/s 220 (6) is already filed with the department.
- (ii) We are in receipt of Order u/s 143(3) for A.Y 2021-22 dated 23.02.2024 wherein the Income tax department has raised a demand of ₹645.63 Lakhs. We have preferred an appeal with Hon'ble Commissioner of Income Tax (Appeals) contesting the demand. A stay petition u/s 220 (6) is already filed with the department.
- (iii) We are in receipt of Intimation u/s 143(1) for A.Y 2022-23 wherein the Income tax department has raised a demand of ₹128.88 Lakhs. We have directly preferred an appeal with Hon'ble Commissioner of Income Tax (Appeals) contesting the demand. We are in process of filing stay petition u/s 220(6).

# Notes to Financial Statements for the year ended March 31, 2025

## Note 39: Earnings Per Share [EPS] computed in accordance with Ind AS 33

(₹ in lakhs except EPS and number of shares)

Particulars	As at March 31, 2025	As at March 31, 2024
Face Value per Equity Share	10.00	10.00
(a) Basic earnings per share	10.37	73.72
(b) Diluted earnings per share	10.37	73.72
(c) Reconciliations of earnings used in calculating earnings per share		
<i>Basic earnings per share</i>		
Profit attributable to the equity holders of the Company used in calculating basic earnings per share	1,765.10	12,546.29
<i>Diluted earnings per share</i>		
Profit attributable to the equity holders of the Company used in calculating basic earnings per share	1,765.10	12,546.29
Adjustment for calculation of diluted earnings per share	-	-
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	1,765.10	12,546.29
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,70,19,100	1,70,19,100
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	1,70,19,100	1,70,19,100

## Note 40: Related Party Disclosures

### (a) Details of Related Parties

#### i) Key Management Personnel

R N Agarwal	Chairman & Managing Director
Reena Agarwal	Whole Time Director
Raunak Agarwal	Whole Time Director
Rohan Agarwal	Whole Time Director & CEO (w.e.f. 08.11.2024)
P K Mundra	Whole Time Director & CFO
Pooja Daftary	Company Secretary

#### ii) Non-Executive/Independent Directors on the Board

P Kumar	Independent Director (Ceased from 20.09.2024)
C R Radhakrishnan	Independent Director (Ceased from 20.09.2024)
R K Bakshi	Independent Director
S N Chaturvedi	Independent Director (Ceased from 21.10.2024)
Sunita Nair	Independent Director
K L Chandak	Independent Director
Neeraj Golas	Independent Director (w.e.f. 22.08.2024)
Sanjay Sinha	Independent Director (w.e.f. 22.08.2024)

# Notes to Financial Statements for the year ended March 31, 2025

## Note 40: Related Party Disclosures (Contd)

### iii) Relatives of Key Management Personnel

Natasha Agarwal	Manager – Product Development
Anuvaa Agarwal	Manager – HR

### iv) Enterprises over which any person described in (a) is able to exercise significant influence

Reera Holdings Private Limited  
R N Corp Private Limited

### v) A Firm, in which a Director, Manager or his relative is a Partner

M/s. Maruti Paper Corporation	Relative of Director
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## (b) Transactions during the year

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Key Management Personnel</b>		
Commission to Directors	-	660.00
Interest paid to Directors	10.39	10.39
Rent	442.20	180.00
<b>Relatives of Key Management Personnel</b>		
<b>Salary:</b>		
Natasha Agarwal	23.50	6.30
Anuvaa Agarwal	23.50	24.30
<b>Sale of Product:</b>		
Maruti Paper Corporation	322.39	-
<b>Non-Executive/Independent Directors on the Board</b>		
Sitting Fees	12.20	11.90
<b>(c) Balances at the year end</b>		
<b>Trade Receivable</b>		
Maruti Paper Corporation	75.31	-
<b>Security Deposit against Leased property</b>		
R N Agarwal	20.00	20.00
Reena Agarwal	10.00	10.00
<b>Total</b>	<b>30.00</b>	<b>30.00</b>
<b>Unsecured Borrowings from Key Management Personnel</b>		
R N Agarwal	138.00	-
Reena Agarwal	51.00	-
Raunak Agarwal	107.50	-
Rohan Agarwal	57.00	-
<b>Total</b>	<b>353.50</b>	<b>-</b>
Commission Payable to Directors	-	660.00
Remuneration and Salary payable	51.62	44.45

# Notes to Financial Statements for the year ended March 31, 2025

## Note 40: Related Party Disclosures (Contd)

### (d) Compensation to Key Management Personnel

(₹ in lakhs)

Sr No.	Key Management Personnel	As at March 31, 2025				
		Short-term employee benefits	Postemployment benefits	Other long-term benefits	Termination benefits	Share-based payment.
1	R N Agarwal	408.55	-	-	-	-
2	Reena Agarwal	79.54	-	-	-	-
3	Raunak Agarwal	79.54	-	-	-	-
4	Rohan Agarwal	79.54	-	-	-	-
5	P K Mundra	114.39	-	-	-	-
6	Pooja Daftary	22.91	-	-	-	-
	<b>Total</b>	<b>784.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in lakhs)

Sr No.	Key Management Personnel	As at March 31, 2024				
		Short-term employee benefits	Postemployment benefits	Other long-term benefits	Termination benefits	Share-based payment.
1	R N Agarwal	627.22	-	-	-	-
2	Reena Agarwal	265.30	-	-	-	-
3	Raunak Agarwal	265.30	-	-	-	-
4	Rohan Agarwal	87.61	-	-	-	-
5	Ashok Bansal	22.28	-	-	-	-
6	P K Mundra	58.41	-	-	-	-
7	Pooja Daftary	21.68	-	-	-	-
	<b>Total</b>	<b>1,347.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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.

The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person."

### (e) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest bearing and settlement occurs in cash. There have been no financials guarantees provided to a Related Party. For the year ended March 31, 2025 and March 31, 2024, the Company has not recorded any impairment of receivables relating to amount owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

# Notes to Financial Statements for the year ended March 31, 2025

## Note 41: Employee benefits plan

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

### a) Other long-term benefits - Compensated absences

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary.

The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

### b) Defined benefits plans - Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The plan is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarise the components of net employee benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>I. Change in present value of obligation during the year</b>		
Present value of obligation at the beginning of the year	1,204.09	993.44
<b>Included in profit and loss:</b>		
Current Service Cost	140.66	106.96
Interest Cost	86.81	74.41
Past Service Cost	-	-
Actuarial Gain/(Loss)	-	-
<b>Included in OCI:</b>		
Actuarial losses/(gains) arising from:		
Experience adjustments	(63.63)	97.17
Financial assumption	47.01	34.82
Demographic Assumptions	-	-
<b>Others</b>		
Benefits Paid	(202.65)	(102.71)
Benefits Paid Non fund base	-	-
<b>Present Value of obligation as at year-end</b>	<b>1,212.29</b>	<b>1,204.09</b>
<b>II. Change in Fair Value of Plan Assets during the year</b>		
Plan assets at the beginning of the year	1,018.69	974.94
<b>Included in profit and loss:</b>		
Expected return on plan assets	73.44	73.02
<b>Included in OCI:</b>		

# Notes to Financial Statements for the year ended March 31, 2025

## Note 41: Employee benefits plan (Contd)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Actuarial Gain/(Loss) on plan assets	0.57	(10.71)
<b>Others:</b>		
Employer's contribution	220.72	84.15
Benefits paid	(202.65)	(102.71)
<b>Plan assets at the end of the year</b>	<b>1,110.77</b>	<b>1,018.69</b>

The plan assets are maintained with Life Insurance Corporation of India (LIC)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>III. Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets</b>		
1 Present Value of obligation as at year-end	(1,212.29)	(1,204.09)
2 Fair value of plan assets at year -end	1,110.77	1,018.69
3 Funded status {Surplus/(Deficit)}	(101.52)	(185.40)
<b>Net Asset/(Liability)</b>	<b>(101.52)</b>	<b>(185.40)</b>
<b>IV. Expenses recognised in the Statement of Profit and Loss</b>		
1 Current Service Cost	140.66	106.96
2 Interest Cost	86.81	74.41
3 Past service Cost	-	-
4 Expected return on plan assets	(73.44)	(73.02)
<b>Total Expense</b>	<b>154.03</b>	<b>108.35</b>
<b>V. Expenses recognised in the Statement of Other Comprehensive Income</b>		
1 Net Actuarial (Gain)/Loss	(16.62)	131.99
2 Expected return on plan assets excluding interest income	(0.57)	10.71
<b>Total Expense/(Income)</b>	<b>(17.19)</b>	<b>142.70</b>
<b>VI. Constitution of Plan Assets</b>		
1 Insurance	1,110.77	1,018.69
<b>VII. Bifurcation of Net Liability at the end of the year</b>		
1 Current Liability	101.52	185.40
2 Non-Current Liability	-	-
<b>VIII. Actuarial Assumptions</b>		
1 Discount Rate	6.85%	7.21%
2 Expected rate of return on plan assets	6.85%	7.21%
3 Salary Escalation	7.25%	7.25%
4 Mortality table	IALM (2012-14) (Urban)	
5 Withdrawal Rate	2.00%	2.00%

# Notes to Financial Statements for the year ended March 31, 2025

## Note 41: Employee benefits plan (Contd)

IX. The expected contribution for Defined Benefit Plan for the next financial year will be ₹258.97 lakhs.

X. Experience Adjustment:

(₹ in lakhs)

Gratuity	2024-25	2023-24
Present Value of obligation	1,212.29	(1,204.09)
Fair value of Plan assets	1,110.77	1,018.69
Net Asset/(Liability)	(101.52)	(185.40)
Actuarial (Gain)/Loss on plan obligation	(63.63)	97.17
Actuarial Gain/(Loss) on plan assets	0.57	(10.71)

XI. Sensitivity Analysis

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(123.88)	146.95	(117.29)	138.80
Future salary growth ( 1% movement)	137.77	(119.99)	132.31	(115.00)
Withdrawal Rate ( 1% movement)**	(46.03)	(48.40)	1.27	(4.33)

\*\* Changes in Defined benefit obligation due to 1% Increase/Decrease in Withdrawal Rate, if all other assumptions remain constant is negligible.

XII. Methodology for defined benefit obligation

The Projected Unit Credit (PUC) actuarial method has been used to assess the plan's liabilities allowing for retirements, death-in-service and withdrawals.

XIII. Maturity Profile of Defined benefit payments from the Fund

Particulars	As at March 31, 2025	As at March 31, 2024
<b>i) Duration of defined benefit payments</b>		
Within the next 12 months (next annual reporting period)	49.08	69.08
Between 2 and 5 years	232.52	257.96
Beyond 5 years	2,814.19	2,819.48

c) Defined contribution plan

Company's employees are covered by Provident Fund to which the Company makes a defined contribution measured as a fixed percentage of salary. The contributions are made to registered provident fund administered by Government. During the year, amount of ₹325.24 lakhs (F.Y. 2023-24: ₹278.85 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to the funds.

## Notes to Financial Statements for the year ended March 31, 2025

### Note 42: Segment information

The operations of the Company are limited to one segment viz. Paper and Paper Boards. The products being sold under this segment are of similar nature and comprises of paper products only.

Operating segments are defined as components of a Company for which discrete financial information is available that is evaluated regularly by the Managing Director (Chief Operating Decision Maker) ("CODM"), in deciding how to allocate resources and assessing performance.

Geographical revenues is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Domestic Sale	1,35,810.16	1,14,047.28
Export Sale	28,001.11	14,251.72
<b>Total</b>	<b>1,63,811.27</b>	<b>1,28,299.00</b>

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

### Note 43: Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are promoting health care, promoting education and rural development activities. The expenditure incurred during the year on these activities are as specified in schedule VII on the Companies Act, 2013:

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>Gross obligation for the financial year</b>	262.66	214.56
Less: Amount excess spent in previous year	(104.24)	(46.85)
(a) Gross amount required to be spent by the Company during the year	158.42	167.71
(b) Amount spent during the year on:		
Ongoing Projects	-	-
Other than Ongoing Projects		
(i) Healthcare	51.50	255.50
(ii) Education	66.00	6.20
(iii) Infrastructure / Cultural / Environment	44.50	10.24
<b>Total</b>	<b>162.00</b>	<b>271.94</b>
(c) Shortfall/(Excess) at the end of year	(3.58)	(104.24)
(d) Total of previous years shortfall	-	-

# Notes to Financial Statements for the year ended March 31, 2025

## Note 43: Corporate Social Responsibility (CSR) (Contd)

- (e) Reason for Shortfall - Nil
- (f) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard - Nil
- (g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
(h) Any amount remaining unspent transferred to		
(i) Ongoing project : Special account in compliance with the provision of Section 135 (6)	-	-
(ii) Other than ongoing project : A Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to Section 135 (5)	-	-

## Note 44: Financial Instruments by category

This Section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

### a) Financials Assets

(₹ in lakhs)

Particulars	Level	As at March 31, 2025		As at March 31, 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1) Financial assets at fair value through profit and loss</b>					
Investments In Equity Instruments					
- Quoted	1	4,496.41	4,496.41	1,150.17	1,150.17
- Unquoted	3	2,800.29	2,800.29	0.29	0.29
Investment In Mutual Fund	1	2,706.38	2,706.38	901.00	901.00
<b>2) Financial assets designated at fair value through other comprehensive income</b>					
Investment In Equity shares (Quoted)	1	68.52	68.52	82.22	82.22
<b>3) Financial assets at amortised cost</b>					
a) Other Bank Balances*	3	393.67	393.67	2,035.82	2,035.82
b) Cash & Cash Equivalents*	3	66.60	66.60	17.34	17.34
c) Trade receivables*	3	18,642.66	18,642.66	8,695.86	8,695.86
d) Other receivables*	3	159.81	159.81	280.14	280.14
e) Other financial assets	3	3,528.38	3,528.38	171.33	171.33
		<b>32,862.72</b>	<b>32,862.72</b>	<b>13,334.17</b>	<b>13,334.17</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 44: Financial Instruments by category (Contd)

### b) Financial Liabilities

(₹ in lakhs)

Particulars	Level	As at March 31, 2025		As at March 31, 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
1) Financial liability at fair value through profit and loss					
Derivatives - Forward Contracts**	2	280.34	280.34	-	-
2) Financial liability at amortised cost					
a) Borrowings	3	62,108.66	62,108.66	55,267.06	55,267.06
b) Lease Liability	3	2,244.18	2,244.18	2,635.24	2,635.24
c) Trade payables*	3	23,036.79	23,036.79	6,281.35	6,281.35
d) Other financial liability*	3	2,882.99	2,882.99	7,379.55	7,379.55
		<b>90,552.96</b>	<b>90,552.96</b>	<b>71,563.20</b>	<b>71,563.20</b>

\*The carrying amounts of trade receivables, cash and cash equivalents, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities are considered to be approximately equal to the fair value.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs

### \*\*Derivatives - Forward Contracts

(₹ in lakhs)

Particulars	Nominal Value	Quantity	Carrying Amount		Maturity	Line items in balance sheet
			Asset	Liabilities		
<b>As at March 31, 2025</b>						
<b>Interest Rate Risk</b>						
Derivative Contracts 1	21,752.05	NA	-	214.58	April, 2025 to May, 2025	Current Financial Liabilities - Others
Derivative Contracts 2	19,432.53	NA	-	65.76	April, 2025 to August, 2025	Current Financial Liabilities - Others
<b>Total</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>280.34</b>		
<b>As at March 31, 2024</b>						
<b>Interest Rate Risk</b>						
Derivatives	-	NA	-	-	NA	-
<b>Total</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>-</b>	<b>NA</b>	

### Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

# Notes to Financial Statements

for the year ended March 31, 2025

## Note 44: Financial Instruments by category (Contd)

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

During the years mentioned above, there have been no transfers amongst the levels of hierarchy. The fair values of unquoted equity instruments are not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

### Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

## Note 45: Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, security deposits, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee.

This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The management reviews and agrees policies for managing each of these risks which are summarized as below:

### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include borrowings, security deposits, investments and foreign currency receivables and payables.

# Notes to Financial Statements for the year ended March 31, 2025

## Note 45: Financial risk management objectives and policies (Contd)

### (i) Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies. Consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the Company are significantly lower in comparison to its imports. Foreign currency exchange rate exposure is partly balanced by exports of goods and prudent hedging policy.

#### Foreign Currency Exposure

(₹ in lakhs)

Name of the Instrument	Currency	As at March 31, 2025		As at March 31, 2024	
		In Lakhs	₹ In Lakhs	In Lakhs	₹ In Lakhs
Open Foreign Exchange Exposures - Receivable	US\$	\$38.87	3,326.42	\$12.79	1,066.38
Open Foreign Exchange Exposures - Payable	US\$	\$11.59	992.22	\$21.84	1,820.96
Open Foreign Exchange Exposures - Payable (Borrowings)	US\$	\$469.19	40,155.47	\$-	-
Open Foreign Exchange Exposures - Payable	EURO €	€ 1.31	121.01	€ 5.36	483.39
Derivatives - Forward Contracts	US\$	\$476.81	40,805.28	Nil	Nil

#### Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax:

(₹ in lakhs)

Name of the Instrument	As at March 31, 2025		As at March 31, 2024	
	1% appreciation in Foreign Currency	1% depreciation in Foreign Currency	1% appreciation in Foreign Currency	1% depreciation in Foreign Currency
Increase / (decrease) in profit for \$	29.84	(29.84)	(7.55)	7.55
Increase / (decrease) in profit for €	(1.21)	1.21	(4.83)	4.83
Net Increase/(decrease) in profit	28.63	(28.63)	(12.38)	12.38

### (ii) Interest rate risk:

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprises of interest bearing loans, vehicle loans and advances and security deposits; the following table demonstrates composition of fixed and floating rate borrowing of the Company and impact of floating rate borrowings on Company's profitability.

#### Interest Rate Risk Exposure

(₹ in lakhs)

Name of the Instrument	As at March 31, 2025		As at March 31, 2024	
	Amount	% of Total	Amount	% of Total
Fixed Rate Borrowings	422.50	0.78%	-	-
Variable Rate Borrowings	54,084.66	99.22%	48,027.10	100.00%
<b>Total Borrowings</b>	<b>54,507.16</b>	<b>100.00%</b>	<b>48,027.10</b>	<b>100.00%</b>

# Notes to Financial Statements for the year ended March 31, 2025

## Note 45: Financial risk management objectives and policies (Contd)

### Sensitivity on variable rate borrowings

(₹ in lakhs)

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Interest Rate Increase by 1%	(540.85)	(480.27)	(540.85)	(480.27)
Interest Rate Decrease by 1%	540.85	480.27	540.85	480.27

### (iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of paper and paper boards and therefore require a continuous supply of raw materials i.e. waste paper, chemicals, coal etc. being the major input used in the manufacturing. Due to the significantly increased volatility of the price of waste paper and coal the Company had entered into various purchase contracts for these material for which there is an active market. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material and further the Company increases prices of its products as and when appropriate to minimize the impact of increase in raw material prices.

## (b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

### i) Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before orders are accepted and the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sales limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

#### Expected credit loss for trade receivables:

The Company estimates its allowance for trade receivable using lifetime expected credit loss. The Company has also taken advances and trade deposits from its customers which mitigate the credit risk to an extent. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

### ii) Financial Instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation, financial strength/ rating and service standards to select the banks with which balances and deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings.

## Notes to Financial Statements for the year ended March 31, 2025

### Note 45: Financial risk management objectives and policies (Contd)

iii) The ageing analysis if the receivables (gross of provision) has been considered from the date of invoice falls due:

(₹ in lakhs)

Particulars	Neither Due nor impaired	Past Due			Total
		Upto 6 months	6 to 12 months	Above 12 months	
<b>Trade Receivables</b>					
As at March 31, 2025					
Unsecured	17,425.47	1,183.84	35.24	-	18,644.54
Loss allowance	-	-	(1.89)	-	(1.89)
<b>Total</b>	<b>17,425.47</b>	<b>1,183.84</b>	<b>33.35</b>	<b>-</b>	<b>18,642.66</b>
As at March 31, 2024					
Unsecured	8,515.69	148.22	28.74	5.10	8,697.74
Loss allowance	-	-	(0.72)	(1.17)	(1.89)
<b>Total</b>	<b>8,515.69</b>	<b>148.22</b>	<b>28.02</b>	<b>3.93</b>	<b>8,695.85</b>

### (c) Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Further, the Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and Company monitors rolling forecasts of its liquidity requirements.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025:

(₹ in lakhs)

Particulars	Carrying Amount	Undiscounted Amount/ Contractual cash flows			Total
		Less than 1 year	1-5 years	More than 5 year	
<b>Borrowings - Current</b>	7,726.40	7,726.40	-	-	7,726.40
Borrowings - Non-Current	53,995.92	124.90	53,871.02	-	53,995.92
Trade payables	23,036.79	23,036.79	-	-	23,036.79
<b>Other financial liabilities - Current &amp; Non-Current)</b>					
Lease Liability	2,244.18	598.90	1,150.68	3,549.56	5,299.14
Dealers deposits	538.90	-	538.90	-	538.90
Others*	2,624.43	2,624.43	-	-	2,624.43

\*Includes Retention Money

## Notes to Financial Statements for the year ended March 31, 2025

### Note 45: Financial risk management objectives and policies (Contd)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2024:

(₹ in lakhs)

Particulars	Carrying Amount	Undiscounted Amount/ Contractual cash flows			Total
		Less than 1 year	1-5 years	More than 5 year	
Borrowings - Current	7,239.98	7,239.98	-	-	7,239.98
Borrowings - Non-Current	47,643.86	73.67	47,570.19	-	47,643.86
Trade payables	6,281.35	6,281.35	-	-	6,281.36
<b>Other financial liabilities :-</b>					
Lease Liability	2,635.24	644.46	1,868.01	3,898.04	6,410.51
Dealers deposits	496.00	-	496.00	-	496.00
Others*	6,883.55	6,883.55	-	-	6,883.55

\*Includes Retention Money

### Note 46: Capital Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Company manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Debt	7,726.40	7,239.98
Non-current Debt	53,995.92	47,643.86
<b>Debt (A)</b>	<b>61,722.32</b>	<b>54,883.84</b>
Less : Cash and Bank Balance (B)	460.28	2,053.17
<b>Net Debt (A-B)</b>	<b>61,262.04</b>	<b>52,830.67</b>
<b>Total Equity</b>	<b>77,458.68</b>	<b>76,029.10</b>
<b>Total Capital</b>	<b>1,38,720.73</b>	<b>1,28,859.78</b>
<b>Gearing Ratio</b>	<b>44%</b>	<b>41%</b>
<b>Net Debt to Equity Ratio</b>	<b>0.79</b>	<b>0.69</b>

## Notes to Financial Statements for the year ended March 31, 2025

### Note 47 : Disclosure required under Section 186(4) of the Companies Act, 2013

Particulars of transaction made during the year and outstanding balance as at the end of the year:

Name of the Party	Nature	Rate of interest	March 31, 2025	March 31, 2024
Nil	Nil	Nil	Nil	Nil

### Note 48 : Ind AS 116 - Leases

The Company's lease asset primarily consist of leases for land and buildings for offices and warehouses having the lease terms between 5 and 30 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in lakhs)

Particulars	Right of Use Asset		
	Land	Building	Total
Balance as at April 1, 2023	1,402.77	1,109.53	2,512.29
Additions/Transfer during the year	193.76	(243.89)	(50.12)
Depreciation/Disposal of Right of use assets	60.41	140.34	200.75
Balance as at April 1, 2024	1,536.12	725.30	2,261.42
Additions/Adustments during the year	-	30.38	30.38
Transfer/Adustments during the year	-	-	-
Depreciation/Disposal of Right of use assets	84.50	291.72	376.22
Balance as at March 31, 2025	1,451.62	463.95	1,915.57

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2,635.24	2,927.67
Transition impact on account of adoption of Ind AS 116 "Leases"	-	-
Additions/Transfer during the year	5.56	193.77
Finance cost accrued during the year	243.98	173.91
Payment of lease liabilities	(640.60)	(660.11)
Closing Balance	2,244.18	2,635.24
Current Lease Liabilities	392.65	404.60
Non-current Lease Liabilities	1,851.53	2,230.64

The maturity analysis of lease liabilities are disclosed in Note 45 (c)

Rental expense recorded for short-term leases was ₹1073.20 lakhs (F.Y. 2023-24: ₹617.76 lakhs).

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

# Notes to Financial Statements for the year ended March 31, 2025

## Note 49 : Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with within the statutory period. No charges or satisfactions are yet to be registered with beyond the statutory period.

## Note 50 : Assets Held for Sale

One of the unit of the Company (Unit III) had closed, pursuant to which Unit III has been classified as 'asset held for sale'.

(₹ in lakhs)

Group of Assets held for sale	As at March 31, 2025	As at March 31, 2024
Plant & Machinery	-	977.46
<b>Total (A)</b>	<b>-</b>	<b>977.46</b>
Impairment	-	792.46
<b>Asset Held for Sale</b>	<b>-</b>	<b>185.00</b>

Note: Asset held for sale has been sold during the year.

## Note 51 : Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

## Note 52 : Compliance with approved Scheme(s) of Arrangements

The Company has no scheme of arrangements which have been approved by the competent Authority in terms of Sec 230 to 237 of the Companies Act, 2013 during the reporting period.

## Note 53 : Utilisation of borrowed funds and share premium

- A. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- B. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Note 54 : Undisclosed income

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

# Notes to Financial Statements for the year ended March 31, 2025

## Note 55 : Title deeds of Immovable properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.

## Note 56 : Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual currency.

## Note 57 : Analytical Ratio

(₹ in lakhs)

Particulars			FY 2024-2025		FY 2023-2024		FY 2024-2025	FY 2023-2024	Explanation for ratio's which have moved by more than 25%	% change
Ratios	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	Ratio	Ratio		
Current Ratio	Current Asset	Current Liabilities	51,059.60	38,468.71	38,852.15	25,347.66	1.33	1.53	Primarily on accounts of increase in trade Receivables in current assets and Increase in current maturities of long borrowings	-13.41%
Debt-Equity Ratio	Total Debt	Equity	54,507.16	77,458.67	48,027.09	76,029.09	0.70	0.63	During the year, debt had increase due to new project and all old debts get cleared.	11.40%
Debt Service Coverage Ratio	Earnings Available for Debt Service	Debt Service	14,430.69	13,731.36	18,393.67	3,450.43	1.05	5.33	PAT has been decreased due to drop in selling price	-80.29%
Return on Equity Ratio	PAT	Avg. Shareholders Equity	1,765.10	1,701.91	12,546.29	1,701.91	1.04	7.37	Due to reduction in net profit during the year	-85.93%
Inventory turnover ratio	Net Sales	Avg. Inventory	1,63,811.27	16,848.04	1,28,299.00	14,952.55	9.72	8.58	N.A.	13.31%
Trade Receivables turnover ratio	Net Sales	Avg. Trade Receivables	1,63,811.27	13,669.26	1,28,299.00	11,249.67	11.98	11.40	N.A.	5.08%
Trade payables turnover ratio	Net Purchases	Avg. Trade payables	1,06,958.95	14,659.07	78,853.69	9,867.59	7.30	7.99	N.A.	-8.69%
Net capital turnover ratio	Net Sales	Working Capital	1,63,811.27	12,590.88	1,28,299.00	13,504.49	13.01	9.50	Due to increase in Revenue.	36.94%
Net profit ratio	Net Profit	Net Sales	1,765.10	1,63,811.27	12,546.29	1,28,299.00	1.08%	9.78%	Net profit has been decreased due to drop in selling price.	-88.98%

# Notes to Financial Statements for the year ended March 31, 2025

## Note 57 : Analytical Ratio (Contd)

(₹ in lakhs)

Particulars			FY 2024-2025		FY 2023-2024		FY 2024-2025	FY 2023-2024	Explanation for ratio's which have moved by more than 25%	% change
Ratios	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	Ratio	Ratio		
Return on Capital employed	EBIT	Capital Employed	7,686.81	1,38,482.06	14,817.41	1,31,307.73	5.55%	11.28%	Reduction in ROCE is due to lower profits	-50.81%
Return on investment-Equity	Income from Investments	Average Fair Market Value	1,347.75	6,061.28	-180.18	1,583.26	22.24%	-11.38%	Due to appreciation of investments in current year the Return on Investment is increased.	-295.38%
Return on investment-Mutual Fund	Income from Investments	Average Fair Market Value	55.39	2,651.00	-	651.00	2.09%	0.00%	Due to appreciation of investments in current year the Return on Investment is increased.	100%

Head	Description
Current Asset	Total Current asset
Current liabilities	Total Current Liabilities
Total Debt	Term Loan( including current maturities) + loan from related parties
Equity	Share Capital + Other Equity
Net purchases	Cls Stock ( excluding FG & WIP) + Consumption of RM + Change in Stock + Store and Spare - Opening Stock (Excluding FG & WIP)
Avg. trade payables	(Op. Trade payables (Total dues to MSME & non MSME) + Cls Trade payables (Total dues to MSME & Non MSME))/2
Earning Available for Debt Services	Profit After Tax+ Depreciation + Finance Cost+ Loss on sale/ discrd of fixed assets & impairment loss.
Debt Service	Interest & Lease payment + Principal Repayment
Avg Shareholder Equity	(Op. Share capital+ Cls share capital)
PAT	Profit after Tax before OCI
Net sales	Sales of Product
Avg inventory	(Op Inventory+ Cls Inventory)/2
Avg Trade receivables	(Op. Balance of Trade receivables+ Cls Balance of Trade receivables)/2
Working Capital	Total Current Assets- Total Current Liabilities
Net Profit	Profit after Tax before OCI
EBIT	Profit before tax+ Finance Cost
Capital Employed	Total Assets - Total Current Liabilities
Income from Investments	Realised Gains + Unrealised Gains + Dividend Received

# Notes to Financial Statements for the year ended March 31, 2025

## Note 58 : Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

## Note 59 : Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

## Note 60 : Relationship with Struck off Companies

Details of transactions with struck off companies during the year is as below

Name of struck off Company	Nature of transactions struck-off Company	Balance Outstanding as at March 31, 2025	Balance Outstanding as at March 31, 2024	Relationship with the Struck off Company, if any to be disclosed
No Such transaction with Struck off Companies				

## Note 61 : Audit Trail

The software used by the Company includes an audit trail feature, which is enabled from 1<sup>st</sup> April, 2023. The audit trail has feature of recording each and every transactional changes made in the books of account along with the date when such changes were made.

**Note 62** : Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

Material Accounting Policies and Notes form an integral part of the Financial Statements.	1 to 62
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As per our attached report of even date

For and on behalf of the Board of Directors

For GMJ & CO

Chartered Accountants

Firm's Registration No.: 103429W

**R N AGARWAL**

Chairman & Managing Director

DIN 00176440

**RAUNAK AGARWAL**

Executive Director

DIN 02173330

**AMIT MAHESHWARI**

Partner

Membership No.: 428706

UDIN: 25428706BMIOYS2785

Mumbai, May 28, 2025

**P K MUNDRA**

Executive Director & CFO

DIN 10258728

**POOJA DAFTARY**

Company Secretary

# Corporate Information

## CIN

L22210MH1993PLC133365

## Board of Directors

**Shri R N Agarwal**  
Chairman & Managing Director

**Shri Raunak Agarwal**  
Executive Director

**Smt. Reena Agarwal**  
Executive Director

**Shri Rohan Agarwal**  
Executive Director & CEO

**Shri P K Mundra**  
Executive Director & CFO

**Shri R K Bakshi**  
Independent Director

**Smt. Sunita Nair**  
Independent Director

**Shri K L Chandak**  
Independent Director

**Shri Sanjay Sinha**  
Independent Director

## Company Secretary & Compliance Officer

**Ms. Pooja Daftary**  
Contact: 022-67317500  
Email: investors@nrail.com

## Statutory Auditors

**GMJ & Co.**  
Chartered Accountants

## Bankers

State Bank of India  
Punjab National Bank  
Axis Bank  
HDFC Bank  
Federal Bank  
Saraswat Co-operative Bank

## Registered Office

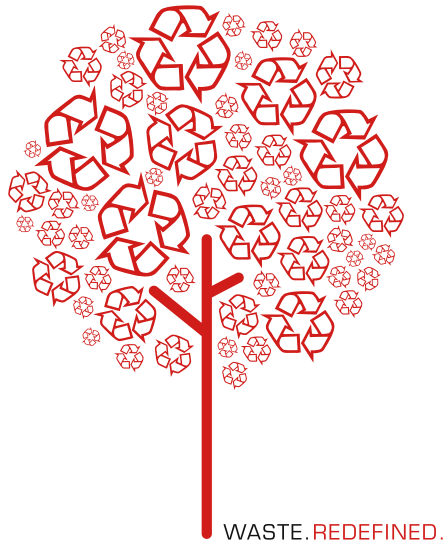
502-A/501-B, Fortune Terraces,  
5<sup>th</sup> Floor, Opp. Citi Mall,  
New Link Road, Andheri (West),  
Mumbai - 400053

## Registrar & Share Transfer Agents

**MUFG Intime India Pvt Ltd**  
(Formerly Link Intime India Pvt Ltd)

C 101, 247 Park, L.B.S.Marg, Vikhroli (West),  
Mumbai - 400083

Contact: 022-49186000  
Email: rnt.helpdesk@in.mpms.mufg.com



**N R AGARWAL INDUSTRIES LIMITED**  
Regd. Off.: 502-A/501-B, Fortune Terraces,  
5<sup>th</sup> Floor, Opp. Citi Mall, New Link Road,  
Andheri (West), Mumbai - 400053