



Maral Overseas Limited



Fabricating Tomorrow

**SUSTAINABLE SOLUTIONS
FOR GLOBAL MARKETS**

MARAL OVERSEAS LIMITED

ANNUAL REPORT 2024

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SHAREHOLDERS INFORMATION

BSE Code	521018
NSE Symbol	MARALOVER
Face Value per share (₹)	₹10
Book Value per share (₹)	₹ 31.69
Market Capitalisation (₹ crore)	₹260.13
AGM Date	27 th August, 2024
AGM Mode	VC/OAVM



The challenges we face – climate change, resource scarcity, and growing population – demand bold solutions. Thankfully, the human spirit of innovation provides the key to a stronger tomorrow.

At Maral, by nurturing next-generation solutions and implementing sustainable strategies, we have strengthened our wings to soar high into a new growth orbit. The path isn't without hurdles, but by harnessing the power of innovation, we are working towards building a future brimming with possibilities.

THE THREADS WE WEAVE TODAY
WILL SHAPE A STRONGER,
MORE SUSTAINABLE TOMORROW



MELANGE UNIT

TRANSITIONING TO A HIGHER NEXT

Intense and growing competition is eroding profitability. In this scenario, continuous improvement and a commitment to excellence is the only path that paves the way for long-term profitability and enduring business success.

At Maral, we are mindful that success is a journey, not a destination. This journey requires us to stay informed and formulate new strategies to stay ahead of the competition. It mandates us to be willing to adapt to and absorb new technologies to align better with customer trends and market opportunities.

We realise that today, apparel is not as much about simple garments to clothe the body as it is about fashion to express.

And fashion is more than just fabric and trends. People's collective feelings and experiences have manifested in the way they dress. As people's economic situations improve, they have more freedom to choose styles that reflect their evolving desires, social standing, and sense of self.

Melange yarn is a popular choice for fashion enthusiasts for its unique visual appeal and potential eco-friendliness.

WHY? Melange yarn is a blend of coloured fibres with natural cotton that develops various shades in the yarn. Differences in the ratio of fibres in the blend alter the uniqueness of spun melange yarns. There is a large variety of melange yarns, not only in terms of colours but also according to the texture of the yarn. The final feel, hand, and aesthetic of each class are different, which opens up the room for designers to choose fibres and yarn types selectively.

Recognising the potential of this niche segment, we have commissioned one of India's most modern and sophisticated melange yarn units. Our 19,000 spindle unit, set up at an investment of ₹129 crore, commenced operations in March 2024 and is being operated by some of the best technicians in the business.

HOW DOES IT FIT INTO MARAL'S BUSINESS OPERATIONS?

Used primarily in knitted fabrics, Melange yarn is a critical backward integration providing assured supplies of quality inputs for our knitting unit.

The melange unit creates a new revenue vertical. Our existing cohort of domestic and international clients need melange yarn and fabric, too. This unit will allow us to gain additional wallet share with our existing clients.

Excellence has been our hallmark. To sustain this culture, we have implemented a comprehensive quality control system. Also we adhere to the best industry practices to ensure our products meet the most stringent international standards.

As we commenced operations, the order flow increased brimmed. We are sitting on confirmed orders that will push us to reach optimum utilisation at the earliest.



More than
70%
of our output will find its way into the international markets directly or through trusted intermediates.



ENVIRONMENT MANAGEMENT

PRIORITISING SUSTAINABILITY

Textiles are woven into the fabric of our lives, but traditional production often comes at an environmental cost. With the world in a very delicate position, edging towards a climate catastrophe, we can ill afford to continue with conventional processes.

Our planet faces complex challenges, but there's hope. By embracing sustainable solutions, we can create a stronger tomorrow for ourselves and future generations.

At Maral, we realise the burning need to ideate and implement sustainable solutions. Because we are in a business space that contributes significantly to climate change owing to its resource-intensive operations.

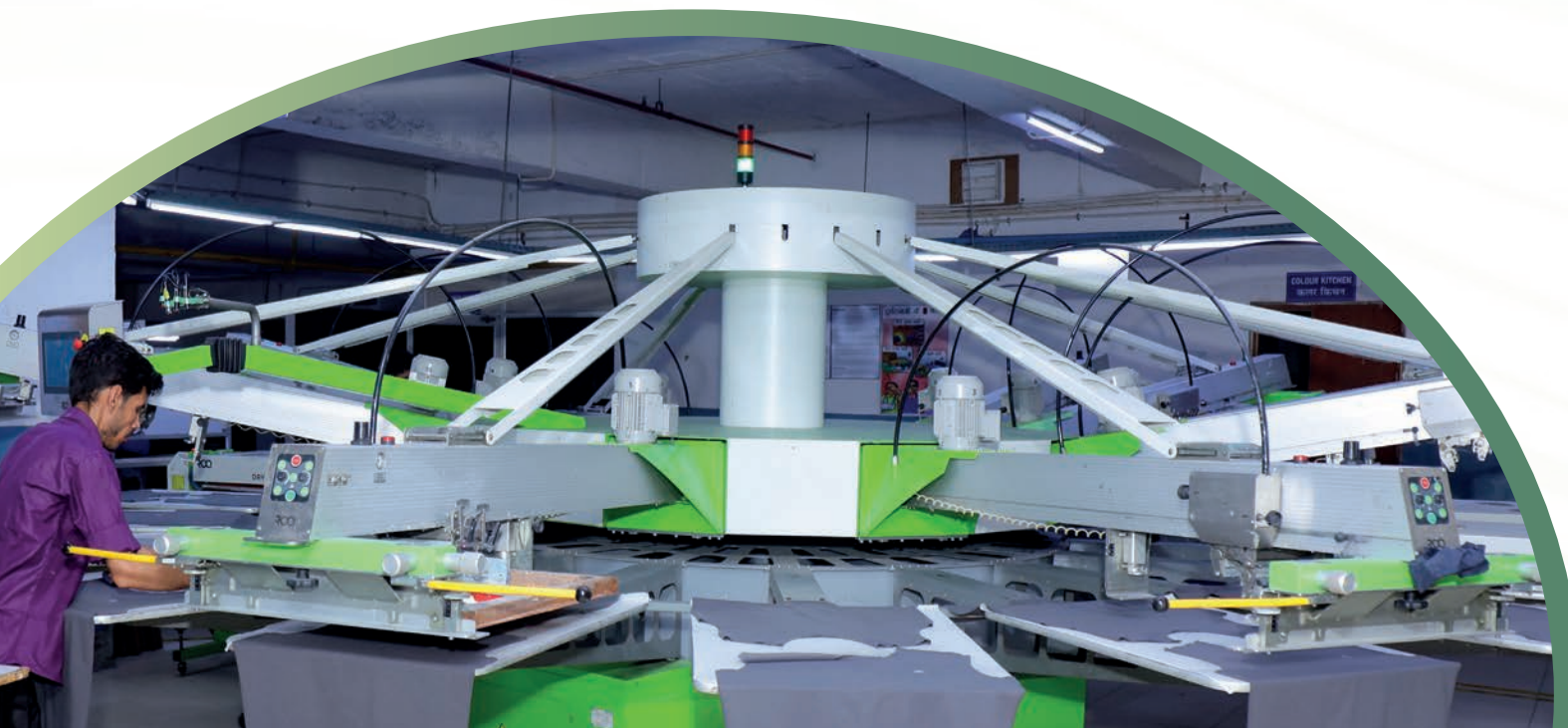
We have made conscious choices that will reduce our carbon footprint significantly, our small contribution towards building a more resilient planet. We have earmarked an investment of about ₹13.50 crore to deploy sustainable solutions. We will replace fossil fuel with biofuel in our boilers and thermopac systems. These solutions will be operational in FY25, making our operations coal-free.

In doing so, we will have created a business that thrives over the long term while contributing to a sustainable future.

With the carbon border adjustment mechanism in place and expected to become more stringent in the coming years, environmentally respected companies with a low carbon footprint will emerge as preferred partners to European corporations and leading international brands conscious of reducing carbon emissions.

BUSINESS INVESTMENTS

MAKING THE STRONG EVEN STRONGER



Our wide and deep expertise in spinning different fibres & their blends gives us the defining edge to spin niche customised yarns that can fuel the innovative aspirations of weavers. Our reputation in this space is reflected in a single statistic – about 40% of our yarn output comprises specialised yarn. To strengthen this capability, we are adding contemporary, sophisticated machines that will be operational in the current year and will increase the proportion of our revenue from specialised yarns.

In our three-decade journey, technology has transformed to an unimaginable zenith. Hence, modernisation is an absolute necessity to stay relevant to our customers. In keeping with this reality, we have 1) invested in upgrading our ring frames with hi-tech attachments that enhance the productivity and efficiency of the machines, and 2) we have embarked on a massive multi-year modernisation drive of intermediary machines which will significantly improve man-machine productivity and product quality.

Our steadfast strategy of positioning Maral at the cutting edge of technology should make a meaningful difference in optimising costs and strengthening our position in an otherwise competitive business environment.

NEW PRODUCTS & BRANDS

ADDING WINGS TO OUR FLIGHT



At Maral, the organisation is abuzz with energy because we have grown into newer avenues of life. New products. New customers. New geographies.

WE HAVE LAUNCHED YARNS FOR THE TECHNICAL TEXTILE APPLICATION, WHICH PROMISES TO WIDEN OUR OPPORTUNITY HORIZON.

- We have launched fire retardant yarn in high demand due to rapid industrialisation fuelling the demand for fire-proof fabric and apparel. In FY24, we sold a good volume of this yarn and hope to increase volumes over the coming years.
- We have also launched aramid yarns. Aramid, short for “aromatic polyamide,” is a class of synthetic, high-performance fibres. These characteristics of aramids are perfectly suited to various industries like automotive, aerospace and defence, where heat resistance and exceptional strength are vital.

WE HAVE WIDENED OUR GLOBAL PRESENCE.

- With our ‘Zero Coal’ strategy gaining momentum, we have intensified our efforts to establish a strong European presence.
- We have reignited our business with South Korea and Poland.
- We have started marketing our products to North and Latin American nations. These huge and growing markets could provide considerable growth leverage over the medium term.



ABOUT THE COMPANY

MARAL OVERSEAS:
WE ARE AN INTEGRATED TEXTILE
PLAYER WITH AN EXTENDED FOOTPRINT
ACROSS THE VALUE CHAIN.



PARENTAGE

We are a part of the prestigious LNJ Bhilwara Group, one of the country's oldest and most diverse business conglomerates, with business interests in the textile, power, graphite electrode, and info technology sectors.

PRESENCE

Maral Overseas is headquartered in Noida, India. Its equity shares are listed on BSE Limited and the National Stock Exchange of India Limited.

PRODUCT

The Company manufactures yarn, fabrics, and garments marketed to marquee brands and leading corporates in India and across the world.

PLANTS

The Company's yarn and fabric units are at its Maral Sarovar plant, located in Central India's cotton heartland and its garment factories are in Delhi (NCR).

PEOPLE

Spearheaded by Shri Shekhar Agarwal and Shri Shantanu Agarwal at the helm, a team of experienced professionals manage the Company's day-to-day operations.



NUMBERS THAT DEFINE US

6,609

Team size as on
March 31, 2024

130.40

Networth as on
March 31, 2024
(₹ crore)

277.25

Capital employed as
on March 31, 2024
(₹ crore)

260.13

Market Capitalisation
as on March 31, 2024
[Source : BSE] (₹ crore)

COMPETITIVE EDGE

OUR TANGIBLE AND INTANGIBLE POSITIVES EMERGE AS OUR INVALUABLE EDGE.



INTEGRATION

We are one of India's leading vertically integrated manufacturing companies. We can customise a variety of design elements and create exclusive products that make our brand competitive and distinctive.

SUSTAINABILITY

Every step in the production chain focuses on different aspects of sustainability, from using raw materials to processes for judicious use of water and energy, including handling waste production.

QUALITY

Our quality management system focuses on sourcing the best quality raw materials. Our dedicated team travels widely to explore different avenues for raw materials. Our team ensures quality control and adherence at every stage of the manufacturing process.

EQUIPMENT

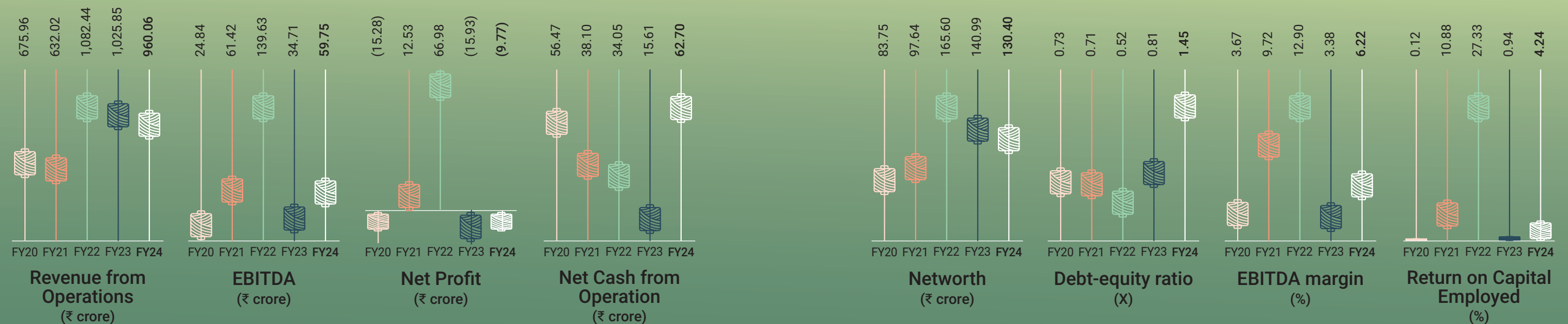
Our sustained investments in state-of-the-art machinery and cutting-edge technology give the company a defining edge over others, ensuring that high-quality products are delivered to clients consistently.

RELIABILITY

Our planning team is equipped with professional tools like MQM for planning & milestone monitoring to be able to provide personal attention. OTD (On-Time Delivery) is a powerful key metric followed by the company to assess the delivery performance and efficiency of the supply chain.



KEY PERFORMANCE INDICATORS



Statement from the Chairman



“We commissioned our mélange unit towards the close of the fiscal which is an important milestone in our commitment to strengthening customer relations. Adding these value-added yarns to our product portfolio will be a game changer.”

Dear Shareholders,

It is a pleasure to write this statement, which gives me the opportunity to express my thoughts on your company's performance and prospects.

In our journey of over three decades, we have experienced considerable ups and downs in the economy and business environment. Yet, as an organisation, we have consistently demonstrated resilience and an ability to adapt to the ever-shifting terrain of the business world. This was clearly visible in FY24.

Our performance

Throughout the year, the repercussions of the Ukraine conflict and other geopolitical tensions influenced global dynamics. Global ripples from the Ukraine conflict and other geopolitical tensions fanned recession fears in major economies like the US and Europe. Inflation spiked to all-time high levels as did interest rates (to curb inflation). This economic unease, in turn, dampened consumer confidence. As a result, consumer spending took a hit as priorities shifted to essentials, dampening demand for non-essential items like clothing and home textiles.

The squeeze on discretionary spending hit non-essential industries like textiles hard, further pressuring already strained markets. Retailers struggled with surplus inventory and curtailed purchases. It had a crippling impact on the textile value chain in India, which has a palpable presence in these developed markets. Manufacturers operated their assets with minimal orders and at lower capacity.

The combination of shifting consumer priorities owing to economic uncertainty and pricing pressure contributed to profitability erosion within the garments and textiles sector. At Maral, we felt the heat, too. Our topline dipped, and we reported a negative bottomline.

Despite reporting suboptimal numbers at the topline and bottomline, I am satisfied with our overall performance. When we compared our performance with our peers in our business space, we realised that we were better placed than our peers.

While short-term market fluctuations presented obstacles, we focused on strengthening our business. We prioritised streamlining production processes, putting more emphasis on new and customer-relevant product development and strengthening existing business relations. These strategic efforts position us for long-term success, allowing us to capitalise on future opportunities and deliver the innovation and customer focus that define our brand.

We have restructured our garment division to enhance efficiency. This consolidation will allow the division to function cohesively and give better returns.

We commissioned our mélange unit towards the close of the fiscal which is an important milestone in our commitment to strengthening customer relations. Adding these value-added yarns to our product portfolio will be a game changer. It will open doors to new markets and significantly improve business growth and profitability in the coming years.



Customer purchasing trends in India have shifted considerably. This is particularly visible in the textile space. Indians purchase garments throughout the year instead of purchasing them on occasions or festivals. E-commerce has played a seminal role in orchestrating the change.



Prospects on the horizon

At the macro level, the economic horizon appears better, with developed economies having come to terms with the issues from the geopolitical stresses that held them back earlier. There is credible evidence of a positive economic resurgence in these geographies, which augurs well for the textile world. Moreover, with the challenges owing to prevailing human conflicts steadily dissipating, prospects are expected to brighten in the coming years.

The India opportunity is extremely positive. My optimism is platformed on several factors that will open considerable growth avenues.

One, India has only recently signed the Trade and Economic Partnership Agreement (TEPA) with the European

Free Trade Association (EFTA). TEPA is a modern and ambitious Trade Agreement. India signed an FTA with four developed nations for the first time - an important European economic bloc. The agreement with EFTA opens doors for the Indian textile industry to access cutting-edge technologies from member countries like Switzerland, which is known for its advancements in machinery and sustainable textile practices. Moreover, the FTA will provide a huge opportunity for Indian exporters to access large European and global markets. These collaborations will help the Indian textile sector secure a bright future.

Two, With India firmly rooted in its resurgence, crossing the US\$ 5 trillion mark appears just around the corner. This milestone holds considerable significance as it translates into an appreciable jump in the disposable income in the hands of the average Indian. Moreover, India, with an average

age of 29, has one of the youngest populations globally. Combining these factors could provide significant impetus to the textile sector's growth.

Three, Customer purchasing trends in India have shifted considerably. This is particularly visible in the textile space. Indians purchase garments throughout the year instead of purchasing them on occasions or festivals. E-commerce has played a seminal role in orchestrating the change. Product bundling, deep discounts, and increasing conveniences have positioned online purchases as the preferred platform across ages, geographies and cultures. With the earning propensity expected to increase and e-commerce penetrating deeper into the Indian hinterland, the demand for textiles is expected to increase significantly.



Our blueprint

We recognise the need to stay at the forefront of the textile industry. With this ambition, we have charted out a multi-point agenda.

We will focus on modernising our operations. This includes upgrading equipment with cutting-edge technology and the latest automation solutions for increased efficiency and production and streamlining internal processes for a smoother workflow and gradual shift from man to automation.

Our unflinching zeal for innovation has created a robust pipeline of new products, which we will launch in the coming months and years. This will allow us to offer a product suite that caters to evolving consumer preferences and offers exceptional ease of use. Combined with our established brand awareness, these

factors position us perfectly to deliver on our customer promise.

We remain ardent about reducing our carbon footprint since sustainable practices have emerged as essential prerequisites for becoming the preferred partner to global brands and marquee corporations. We will invest in this direction in the current and coming years. This will ensure a future-proof approach that aligns with the growing consumer demand for sustainability.

On this note, I express my gratitude to all our stakeholders for their unwavering support, which has enabled us to stay focused on our long-term objectives. Thank you for partnering with us on this journey.

Warm regards,
Shekhar Agarwal
Chairman & Managing Director and CEO

Statement from the Joint Managing Director



“We are well-positioned to capitalise on the growing opportunities in the global market with our established reputation for quality and commitment to sustainable business practices. We will continue to develop customer-relevant innovative products to enhance our business prospects over the medium-term.”

Dear Shareholders,

In today's world, businesses everywhere are grappling with the significant challenge of striking the right balance between seizing opportunities and averting risks that jeopardise supply chains.

However, our organisation has not only weathered these challenges but also demonstrated remarkable resilience. This is a testament to our unwavering confidence in a brighter future.

FY24 was the ultimate test of our adaptability and determination as we navigated the unprecedented challenges plaguing the global textile markets. The muted demand in important global markets owing to a significant dip in consumer confidence (consequent to heightened inflation and interest rates) cascaded through the textile value chain and across textile product manufacturing hubs. The discomfort was palpable as capacity utilisation plummeted. However, we stood strong in the face of these challenges, adapting our strategies to the changing market conditions.

The garment segment was the first to experience the drop in offtake. Akin to the other garment manufacturers in India, we also faced the challenge. However, healthy order flow from customer additions in the recent past improved capacity utilisation and partially cushioned the drop in business volumes and revenue. This divergent trend serves as a powerful validation for the value proposition we deliver through our garments.

The commissioning of our Melange yarn facility is an important positive as it heralds interesting growth opportunities. Most importantly,

the in-house yarn has significantly reduced our mind-to-market cycle significantly, allowing us to capitalise on opportunities with speed. Our state-of-the-art mélange facility will also help us add new clients to the garment business.

As we enter FY25, the period appears reasonably better as order flow stabilises.

Our commitment to building long-term value for our business centres is based on deepening customer relationships. We are actively working to consolidate partnerships with existing customers while strategically attracting new ones. This will help us to improve capacity utilisation.

Cognizant of the growing consciousness among our clients regarding environmental issues, our growth strategy is built on a foundation of sustainable business practices. In keeping with this objective, we plan to deploy cutting-edge IT solutions to streamline business processes, which should help us improve our business's quality.

I am cautiously optimistic about the future. With the US and Europe registering a healthy uptick in economic progress, demand is steadily increasing. Further, given the continuing geopolitical stress, large textile product-buying houses are de-risking their supply chain from an over-dependence on China. This



strategy will progressively widen the opportunity landscape for the Indian textile sector.

We are well-positioned to capitalise on this trend with our established reputation for quality and commitment to sustainable business practices. We will continue to develop customer-relevant innovative products to enhance our business prospects over the medium-term.

As we move forward on this exciting path, I want to recognise the incredible teamwork that got us here. Thank you to our employees for their hard work and commitment and to our shareholders for their continued trust and shared vision for Maral's future.

Warm regards,

Shantanu Agarwal
Joint Managing Director

YARN BUSINESS

SPINNING A SUCCESS STORY

98,776

Spindles

24,260

Capacity (TPA)

66.59

Contribution to
total revenue (%)

The Company's crown jewel is its yarn division, a powerhouse that fuels its success. This division spins a symphony of yarns, from the classic comfort of pure cotton to innovative blends and speciality fibres. Whether it's for clothing that moves with you or sustainable materials necessary for ensuring the future & safety of our planet, our yarns cater to every textile need.

Quality is the golden thread woven throughout the operation. It's the reason leading textile players, both domestic and international, remain loyal. We continuously invest in the most advanced technology and sophisticated equipment, ensuring our yarns remain at the forefront of the textile world.

Performance in FY24

Yarn, the very lifeblood of the textile industry, finds itself in a difficult position. Any disruption in the textile sector or the cotton market sends tremors through the yarn segment.

Since yarn is largely a commodity business, adversities result in immense pricing pressure, leading to margin erosion. This relentless squeeze on profit margins forces companies to make agonising decisions - either scale back operations or face the chilling prospect of shutting down entirely.

The past fiscal year (FY24) was a stark reminder of this vulnerability. As the flames of human conflict intensified across the globe, the intricate

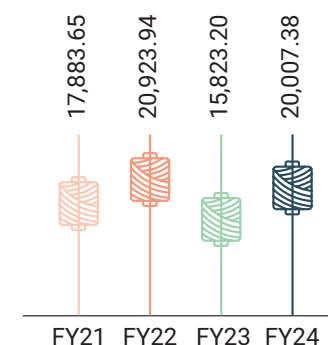
ecosystem of yarn business became a tangled mess. The smooth flow of raw materials, the hum of machinery, and the steady stream of finished products - all were disrupted, leaving the yarn market sluggish.

While the yarn industry endured in the throes of a dismal downturn, Maral stood firm, platformed on its long-standing, meticulously cultivated business relationships. These partnerships facilitated a steady flow of orders, keeping Maral's production lines humming at an impressive 93% capacity.

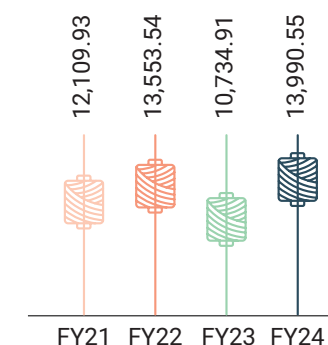
However, the relentless price wars dampened profit margins. While the volume dip was minimal, the pressure on profitability remained undeniable.

Plans for FY25

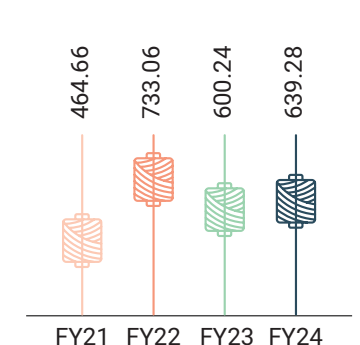
While the yarn industry grapples with a downturn, Maral refuses to be shrouded in its shadow. Their ambitious vision burns bright, a beacon guiding them towards a new growth trajectory. The Company's focus on its meticulously crafted strategic blueprint remains resolute. Its modernisation programme will continue unabated. It will undertake initiatives to increase the share of special yarns in its product mix to enhance business profitability.



Production
(tonnes)



Sales
(tonnes)



Revenue from
operations
(₹ crore)

FABRIC BUSINESS

KNITTING A SECURE MESH FOR SUSTAINED GROWTH

The knitted fabrics segment is the bedrock of Maral's value quotient. Our in-house process control across every stage, from spinning and dyed yarn to knitting, dyeing, finishing and printing, grants us an undeniable advantage. This comprehensive capability empowers us to deliver an unmatched diversity of knit fabrics, catering to inner and outerwear. Put simply, Maral isn't just good at knitted fabrics – it is a dominant player in the business space.

Maral's Fabric Division consists of 700 tons capacity. This includes 250 tons of Stretch fabric, 30 tons of Printed Fabric and 50 tons of stripes Fabric.

Maral makes a comprehensive range of knitted fabrics, which include Single Jerseys, Ribs,



62
Knitting
machines

13,700
Capacity (tonnes)

29.42
Contribution to
total revenue (%)

Interlocks, Piques, Honey Combs, Fleece, Plaited & Variegated Structured fabrics, Feeder & Engineered stripes, etc., are made of 100% cotton and various blends. It sources about 30% of yarn from its yarn division. Moreover, about 15% of the fabric production is used for value-adding to garments. The balance is marketed to reputed brands in India and across the world.

Maral establishes itself as a premier provider of knit fabrics, committed to meeting client expectations. It services its customers with the best quality knit fabrics with outstanding features and excellent materials in the shortest possible time. The Company ensures the removal of any contamination that may have escaped during the spinning process. Imported cotton is used to tender contamination-free white and light fabrics. Extreme care is taken for colour matching, for which the Company has invested in sophisticated equipment sourced from global leaders in the business. Additionally,

the Company has invested in world-class equipment to test its products, which ensures that every product matches client requirements.

Maral enjoys a presence in diverse global markets, including Sri Lanka, Vietnam, Indonesia, Turkey, EU etc. Its customers comprise domestic and international garment manufacturers and textile brands with whom it enjoys healthy business relations. Exports comprise about 47% of the Company's sales.

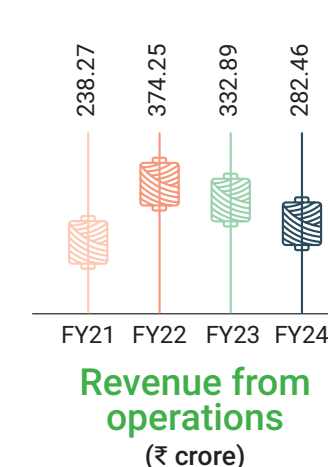
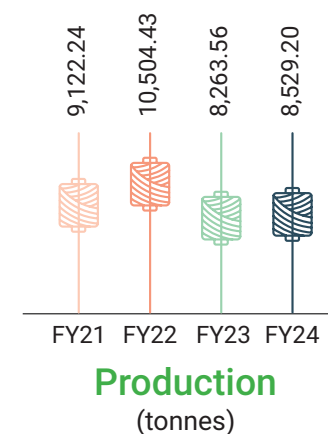
Performance in FY24

Global headwinds adversely impacted the division's performance. The capacity utilisation of the machines was suboptimal. Reduced demand and consequent pricing pressure impacted business profitability. Notwithstanding the drop in financial performance, the Company is confident of a trend reversal in the near term.

Plans for FY25

Maral is very positive about a turnaround in performance in the current year. Overcoming previous challenges, these nations have shown significant progress in 2024, experiencing positive overall growth that has bolstered consumer confidence. This development bodes well for an increase in demand. Furthermore, the growing prominence of knitted fabrics after the pandemic in India and globally presents promising prospects for the Company.

Maral is focused on enhancing its capacity utilisation of dyed fabrics, which generate superior realisation and returns. The Company will also enhance sales volumes of quality fabrics through its recently commissioned Continuous Bleaching Range. Also, the team has innovative plans to optimise the consumption and cost of resources and utilities, strengthening its competitive edge.



GARMENT BUSINESS

UNWRAPPING A PROMISING FUTURE

2,186
Sewing machines

835,500
Capacity
(pcs/month)

18.62
Contribution to
total revenue (%)



The garmenting business is a crucial vertical that significantly drives overall profitability and firmly establishes the Company's quality of operation in the minds of global textile brands.

Maral produces an extensive range of garments, including activewear, casual wear, athleisure, and sleepwear for men and women, using conventional, organic, fair-trade and blended materials.

The Company has consolidated its operations of three (3) state-of-the-art garmenting units equipped with highly sophisticated machinery that provides various textures and finishes to the fabric, tailored to meet and exceed customer requirements. The consolidation has enhanced the efficiency of the garment manufacturing operations through automated cutting & value-added printing.

With in-house spinning and fabric production capabilities, Maral offers quick turnaround and maintains the highest control over product quality. The company's exceptionally skilled in-

house design department consistently executes specific styling and sampling needs.

Approximately 61% of the output is developed and delivered to renowned global brands, affirming the Company's exceptional ability to fulfil the exacting needs of global customers.

Performance in FY24

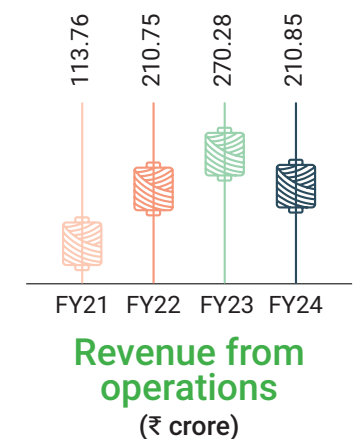
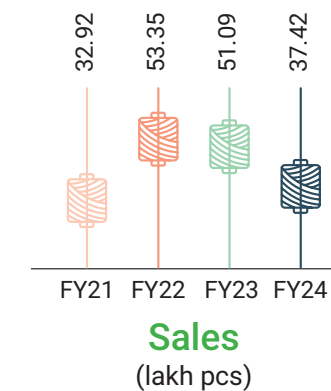
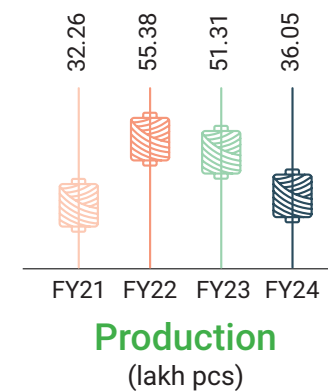
The garment division was the first to experience the slowdown as European and American consumers throttled apparel purchases owing to inflationary headwinds. This resulted in a whittled-down inventory across the channel, from retailers to manufacturers.

Maral has secured good orders from its customers in recent years, allowing it to endure the storm better. During the year, the Company initiated a toehold in the fashion space, sampling

some products using its mélange yarn. Sustained efforts in this direction will assist Maral in establishing a strong presence in the high-value fashion segment.

Plans for FY25

Green shoots of recovery for the garment segment were visible towards the close of FY24 as the US and EU economies showcased healthy progress. Maral will intensify its efforts to strengthen its presence in the US, European and Japanese markets. The team will also leverage its sustainability plank to secure higher volumes from brands prioritising sustainability. Overall, the Company is confident it will improve its performance in the current year.



MANAGEMENT DISCUSSION AND ANALYSIS



An Economic Overview

Global economy

The global economy outperformed expectations in CY 2023 with a growth of 3.2%. This reflected the overall resilience demonstrated by several large economies.

The world economy was positively impacted by the resumption of normal consumption in China and an acceleration of growth in the US, which neutralised a significant slowdown in Europe following the regional energy shock in 2022. Trends like consumer willingness to continue drawing on excess savings, robust private-sector finances and a renewed fiscal easing were also observed.

The global labour market displayed divergent trends between developed and developing economies. Developed countries saw a strong rebound with low unemployment rates while in developing countries, issues like informal employment, gender gaps and high youth unemployment were prominent.

Global factories ended CY 2023 on a weak note with eurozone manufacturing remaining under pressure. Though most of Asia's PMIs for December 2023 were negative, other recent data suggests the post-pandemic recovery in the area is beginning to gather momentum.

Nonetheless, companies in general remained cautious about the future and continue to exercise caution when it comes to hiring, buying raw materials and managing inventories.

UNCTAD data suggests that in 2023, the global merchandise trade experienced

a decline of approximately 1% in real terms. This divergence from overall economic growth was influenced by various factors, including escalating trade tensions among major economies and a general slowdown in global demand.

Going forward, the world economy is expected to sustain this level throughout 2024. This represents a 0.1 percentage point upgrade from the January 2024 World Economic Outlook (WEO) update, due to the high likelihood of a better performance in the US, China and other large emerging markets. While there may be weaker activity in the Euro Area, global inflation is very likely to continue to drop.

Indian economy

In a superb display of resilience amidst global economic challenges, India's economy is anticipated to expand by 7.6% in FY24 owing to strong investment in plant and machinery, robust manufacturing growth and better trades.

On the flip side, according to the second advance estimate data released by the Ministry of Statistical Planning & Implementation (MoSPI), government spending and consumption increased at a slower-than-expected pace.

Additionally, the current year's economic growth has been aided by a robust expansion in the mining, manufacturing, construction and services sectors. Despite starting on a bleak note, manufacturing output is also expected to grow at a healthy rate of 8.5% this fiscal year, with increases being reported in six of the eight core industries.

While farm output is expected to grow only at 0.7% this fiscal on account of erratic monsoons, sharply lower than the 1.8% growth projected in January 2024, there is potential for good growth due to recent predictions of a good monsoon in most parts of the country.

Net indirect tax growth hit a six-quarter high of 32% in the third quarter, prompting experts to draw attention to the disparity between the 6.5% growth in gross value addition (GVA) and the 8.4% GDP growth in the same quarter. They expressed concern that this growth may not be sustained.

The Russia-Ukraine conflict disrupted supply chains and caused energy price spikes impacting Indian trade. Furthermore, the slowdown in Europe and certain other advanced economies is predicted to cause exports to rise at a slower rate of 1.5% in rupee terms during FY2023-24 compared to the same period last year. Stagnant interest rate without increase predicts a better tomorrow.

Forecasts from the Reserve Bank of India indicate that the GDP is expected to grow at a strong rate of 7% in the FY2024-25. The rise in household spending and a restored private capital investment cycle support this upbeat outlook. Average inflation remained at 5.1% for the entire FY24 with core inflation staying low for a year now.

However, the ongoing global geopolitical issues, rising crude oil prices and resurgence of inflation could dampen the growth of the economy in the future.



The Textile Sector

Global Textile Market

The global textile market size reached US\$ 1,027.0 Billion in 2023. Looking forward, the IMARC Group expects the market to reach US\$ 1,445.4 Billion by 2032, reflecting a compounded annual growth rate of 3.8% during 2024-2032.

Major factors driving the market growth include changing consumer preferences and lifestyle trends. As individuals seek comfort, sustainability and fashion-forward choices, the demand for textiles has increased. Consumers now prefer eco-friendly fabrics, organic materials and functional textiles that offer enhanced performance.

Another driving force is the rapid growth of global population. Besides this, increasing income levels, particularly in emerging economies

such as India and China, has enhanced spending on textiles.

Furthermore, technological advancements and innovations in textile manufacturing processes have revolutionised the industry. These advancements improve efficiency and also open up new possibilities for customisation and sustainability.

Moreover, Government initiatives promoting domestic textile production or trade agreements significantly impact market dynamics.

Another vital growth driver is the rising demand for stylish apparel across all age groups in the worldwide population, including formal and casual wear.

Industry trends

1) Sustainability

The apparel sector is paying more attention towards sustainability. Manufacturers as well as customers

are mainly focusing on sustainability and it is becoming a crucial decision-making factor while buying and selling goods. Textiles manufactured with less environmental impact from recycled materials are more appealing to consumers. Some of the trends regarding sustainability in the textile sector are listed below.

- **Circular economy:** The textile sector is starting to embrace the idea of a circular economy. This entails designing textiles for longer lifespans, to recycle and repurpose them at the end of their life cycles.
- **Biodegradable textiles:** The concept of biodegradable textiles is gaining traction as a solution to environmental concerns. These textiles can break down naturally in the environment, reducing pollution and waste. Examples include biodegradable polyester, polylactic acid (PLA) and bio-based nylon.

2) New Technologies

New technologies are changing the way apparels are designed, manufactured and distributed. Here are some of the prevailing trends concerning the adoption of new technologies in the textile sector.

- **Digital Textile Printing:** This inkjet-based technique effectively applies colourants to fabrics. Due to the recent boom in its use, especially with dye sublimation printing, it is expected to continue growing as technology advances.
- **Energy-Efficient and High-Speed Apparel Manufacturing:** High-speed and energy-saving manufacturing processes such as ICT systems, automated software programs, robotics and fast digital printing can significantly tackle environmental footprint and waste pollution.

- **Data Analytics and Artificial Intelligence:** Artificial Intelligence and Data Analytics are widely used in retail and wholesale fabric online supply chains for a variety of tasks, including quality control, management automation, product inspection and quality assurance.

3) Focus on Gender-Neutral Clothing

With diversity and inclusivity becoming more prominent, new fashion trends are blurring traditional gender divides and allowing people to express themselves through clothing.

Indian Textile Market

India is fortunate to have an abundance of raw materials needed to produce textiles. Being a top producer of cotton, silk, wool, jute and man made fibre, the nation offers a solid basis for a booming textile sector. India's success story in the textile industry

has been aided by the easy availability of a wide variety of superior raw materials.

In 2022, the Indian textile and apparel market was valued at US\$ 172.3 Billion. The IMARC Group projects that the market would increase at a compounded annual growth rate of 14.59% from 2023 to 2028, reaching US\$ 387.3 Billion. Some of the major market drivers include the growing demand for high-end clothing and footwear, government initiatives to empower weavers and the increasing trend of sustainably and ethically sourcing materials.

Industry trends

Demand for Man-Made fibres (MMF)

India is the second largest producer of MMFs. The industry anticipates a 75% growth in India's exports of MMF textiles to US\$ 11.4 Billion in 2030 from approximately US\$ 6.5 Billion in 2021 –

22. This optimistic outlook stems from the Production Linked Incentive (PLI) plan and free trade agreements with the UAE and Australia.

Artisanal and Handcrafted Textiles

A specific segment of consumers is showing renewed interest in traditional handcrafted textiles. This is encouraging innovativeness amongst artisans and also doing its bit to preserve our country's cultural heritage. Handmade textiles reflect the artist's talent, imagination and cultural background. It seems that these consumers are driven by a sense of choosing aesthetic handcrafted textiles over mass-produced machine-made ones. This is also helping craftsmen who rely on their skills to make a living, besides preserving the art of traditional craftsmanship.

Digitalisation

India's textile industry has seen significant change due to digital adoption, thereby improving efficiency, thanks to computer-controlled production lines, digital dyeing and automated looms. Resource usage is optimised in smart factories thanks to IoT sensor integration. Digital technologies, ranging from e-commerce platforms to inventory management, are revolutionising the marketing, sales and distribution of textiles.

A return to office culture

With a shift away from permanent work-from-home situations, Indian textile manufacturers could see a positive impact on the demand for garments. As Indian professionals return to offices, there will be a surge in buying work-appropriate clothing.

Performance

The Indian Textile industry witnessed major challenges in 2023 due to

fluctuating cotton prices, diminishing demand, capacity under-utilisation and dumping of inferior but cheap imported fabrics and garments from China and Bangladesh. Buying by the US and EU remained quite low for an unusually long period, which affected exports.

In FY 24, India experienced a 3.24% decline in its textile and apparel exports, amounting to \$34.430 billion. This decrease was attributed to geopolitical tensions in key markets and an uptick in interest rates aimed at managing inflation. The combined contribution of textiles and apparel to India's overall merchandise exports decreased from 8.26% to 7.88% compared to the previous year. Although textile exports saw a slight uptick, there was a notable decrease in apparel exports.

The export value of readymade garments, comprising approximately 42% of the total export basket, saw a notable 10% decline, amounting to US\$ 14.5 billion. North America emerged as the leading export market with a total of US\$ 11 billion, followed by Europe at US\$ 10 billion. Additionally, West Asia and North Africa combined contributed US\$ 4 billion to the export figures.

Amidst the challenges faced the only hope was the export of cotton yarn, fabrics, made-ups, and handloom products experienced a notable upswing, amounting to an increase of US\$ 740 billion in FY 24 compared to the previous fiscal year. However, alongside geopolitical tensions and high-interest rates, escalated logistical costs due to the red sea crisis emerged as additional hurdles, dampening the textile export landscape.

Government Initiatives:

- The Government launched a

Scheme for Integrated Textile Park (SITP). The plan attempts to establish new, globally recognised parks as hubs for textile development. Overall, 54 textile parks were approved under the programme.

- The Amended Technology Upgradation Fund Scheme (ATUFS) provides financial help to textile mills to upgrade their technology. The scheme was amended in 2022 to make it more accessible and user-friendly. The amended scheme provides a higher subsidy for the installation of new machinery. It also covers the cost of training workers.
- The announcement in the union budget 2024-25 shows that the Government has made a remarkable advancement with the increased allocation of approximately 27.60%. The extension of the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for two years has been warmly received by the textile and apparel industry. The scheme's continuation is deemed essential for long-term trade planning, and the augmented allocation in the budget reflects a concerted effort towards sustaining this crucial initiative.
- The Government of India announced that it will create seven PM MITRA (Prime Minister Mega Integrated Textile Region and Apparel Parks) in the states of Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra. Nearly 70,000 Crore investment and the creation of two million jobs is envisaged through these parks.



The Spinning Sector

The first half of FY24 experienced headwinds in the cotton spinning sector due to the following reasons.

- Disparity between domestic and international cotton prices
- Decline in global demand owing to inflation
- Increased energy and supply chain costs

Towards the end of the year, the cotton spinning industry experienced some relief as the price of cotton dropped. However, despite this positive change, the sector faced challenges due to weak demand within the country and lower profits throughout FY24. Consequently, spinners decided to put a hold on their significant investment plans for the foreseeable future.

According to ICRA's projections, there might be a slight increase in investment announcements in FY25. This uptick is anticipated

to be driven by the need for modernising machinery, the influx of demand stemming from the China Plus One initiative and an anticipated improvement in domestic demand from companies producing downstream apparel.

In addition to this, the Government of India has taken various initiatives to promote Indian cotton. Some of them are

- Kasturi Cotton Bharat: The Ministry of Textiles' Kasturi Cotton Bharat programme is a first-of-its-kind branding, traceability and certification initiative run in concert with trade associations, industry and the Government. To promote and enhance the value of Indian cotton in both domestic and international markets, stakeholders from all across the supply chain—including farmers, ginning units, spinning mills, processing houses, weaving units, garmenting units, home textile manufacturers, retailers and brands—will work together.

- A Memorandum of Understanding (MoU) has been signed by The Cotton Textiles Export Promotion Council ('TEXPROCIL') and the Cotton Corporation of India ('CCI') on behalf of the Indian government, Ministry of Textiles and Kasturi Cotton Bharat. This MOU is meant to encourage trade and industry to work on the principle of self-regulation by owning the responsibility of Traceability, Certification and Branding.
- Using a mission-driven approach, the Ministry of Textiles is spearheading this project and allocating budgetary assistance in line with the ₹15 Crore commitment from trade and industry bodies. This collaborative endeavour, which will last for three years from 2022-2023 to 2024-2025, is expected to have a good effect on the Indian textile industry as a whole and raise the value and perception of Indian cotton globally.



The Business and its Performance

About Maral

Maral Overseas Limited is an integrated textile company across the entire textile value chain. It produces a wide variety of yarns, fabrics, and apparel for global and Indian brands. Headquartered in Noida, the Company's yarn business is its key revenue spinner and business driver, while the Management focuses on the fabric and garment divisions owing to increased value-addition and product acceptance by global marquee brands.

SWOT Analysis

STRENGTHS

- Integrated facility with best-in-class equipment
- A wide and growing product portfolio
- High-quality standards endorsed by global certifications
- Healthy business relations with leading sports and athleisure brands
- Sharp focus on developing customised products for customers
- Regular business investments to align with dynamic sectoral realities and customer requirements

WEAKNESSES

- Fragmented and unorganised industry

OPPORTUNITIES

- India is a large and growing textile market
- E-commerce is booming
- Export opportunities abound owing to the China+1 practice adopted by the Western World
- FTAs signed/in the process of being endorsed provide interesting growth opportunities

THREATS

- Volatility in raw material prices
- Disturbed supply chain owing to geopolitical tensions prevailing across the globe

Business Performance

In FY24, the Company's business performance resembled that of the previous year, as it saw no notable improvement, largely attributed to a temporary lull in the textile market. Global textile markets, especially the US and Europe, slumped owing to elevated inflation levels. Consumers diverted their spending to deleverage their position as interest rates across the world climbed to new highs.

As end-consumer demand dropped, the entire global textile pipeline squeezed purchases to the bare minimum. This hampered the inflow of business to the Company.

To overcome those challenging times, the Company consolidated its garments operations to align with customer demand. It implemented important cost optimisation measures and focused on capitalising on every business opportunity that helped in absorbing overall costs better. The Company also partnered with global brands that expanded its reach and consolidated tie-ups with existing customers.

The Company focused on developing new and niche products and worked hard on showcasing these products. New products were introduced such as mélange yarn, flame retardant yarn and aramid yarn to solidify its position in advanced textile solutions. The initial response to these products was heartening – the Company expects these products to emerge as important revenue drivers going forward.

The Company commissioned its mélange yarn unit towards the close of FY24. This infrastructural showpiece houses the most

sophisticated equipment and cutting-edge technology to produce one of the finest mélange yarns. While a part of the output will be used for manufacturing garments for global marquee clients, the rest will be sold to large domestic and international brands.

Financial Performance

Your Company achieved a turnover of ₹960.06 Crore for the financial year ended 31st March, 2024 against ₹1,025.85 Crore in the previous financial year ended 31st March, 2023. Further, the Company achieved an operational profit of ₹59.75 Crore for the financial year ended 31st March,

2024 as against ₹34.71 Crore in the previous financial year. The Company recorded a Net Loss at ₹9.77 Crore for the financial year ended 31st March, 2024 as against a Net loss of ₹15.93 Crore reported in the previous financial year. The segment-wise revenue performance of your Company for the financial year ended 31st March, 2024 was ₹517.15 Crore, ₹232.05 Crore and ₹210.85 Crore for Yarn, Fabric and Garments respectively.

Change in Return on Net Worth in comparison to the previous year: The Management utilized business liquidity for investing in strategic decisions that promise to sustain growth over the

medium term. During the FY24, the Net worth decreased from ₹140.99 Crore as of 31st March 2023 to ₹131.54 Crore as on 31st March 2024. The return on net worth was (7.2) % in FY24 against (11.30)% in the FY23.

Significant changes i.e., a change of 25% or more in the key financial ratios

In accordance with the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of significant changes i.e., change of 25% or more in key financial ratios as compared to the immediate previous financial year, along with detailed explanations are reported hereunder.

Key Ratios

	FY24	FY23	% Change	Remarks
Stability Ratios				
Debt-equity Ratio (in times)	1.45	0.81	79	Majorly due to increase in long term debts
Interest Coverage Ratio (in times)	3.55	2.54	39.70	Majorly due to better profitability
Liquidity Ratios				
Current Ratio (in times)	1.10	1.18	(6.43)	
Debtor Turnover Ratio (in times)	8.72	9.84	(11.38)	
Inventory Turnover Ratio (in times)	5.59	5.39	3.68	
Profitability Ratios				
Operating Profit Margin (%)	6.22	3.38	83.95	Majorly due to better profitability
Net Profit Margin (%)	(1.02)	(1.55)	(34.49)	Majorly due to better profitability

Disclosure of Accounting Treatment

The Company has followed the same accounting treatment prescribed in the relevant Accounting Standards while preparing the Financial Statements.

Internal Control and their Adequacy

The Company's internal controls are commensurate with its size and the nature of its operations. They have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use and ensuring compliance with corporate policies. The all-encompassing control framework covers all key business functions in addition to governance, compliance, audit, control and reporting.

The Company's state-of-the-art ERP system, coupled with stringent procedures, ensures high accuracy in recording and providing reliable financial and operational information, meeting statutory compliances.

Internal Audit reports are periodically reviewed by the Management and the Board's Audit Committee, and necessary improvements are undertaken if required. These findings provide inputs for risk identification and assessment. Timely and adequate measures are undertaken to ensure the undisrupted functioning of the business. The Company has engaged independent Chartered Accountant firms with vast experience and knowledge to monitor internal controls. The Company's robust and comprehensive internal control systems and processes are reviewed periodically in line with the evolving business ecosystems.

Human Resource

Maral understands that an organisation is only as good as its members. The Company has distinguished itself from its competitors by promoting a

dynamic work culture. From imparting technical expertise and providing soft skills training - Maral has earned the devotion of its workforce. The Company has made a conscious effort to develop a staff that is varied and reflective of the environment in which it operates. This, together with a culture that values education, health and transparency, Maral has brought out the best in its workers.

With the aim of incorporating a diverse and inclusive culture, the Company takes various initiatives for building awareness and fostering an impartial work environment. The HR policy is designed to build a more competent workforce that is aligned to the rapidly evolving business dynamics and promotes a culture of adaptability to changes, agility to work fast and affinity to grow.

With open, equitable performance reviews and gender-neutral procedures, our 6609 strong workforce is able to work the best of its ability in a safe and secure environment. To provide employees a platform for making meaningful and pro-development constructive comments, the Company has also established programs within its appraisal system.

Risk Management

Demand risk: Tepid demand conditions could impact business performance.

Mitigation measures

A dull business environment would impact the entire textile sector and Maral would also face the heat of a dismal ecosystem. What works in the Company's favour is its continuous efforts to widen the product base and expand its opportunity horizons. To that extent, the Company would be lesser impacted by throttled demand for standard products.

Raw material risk: Availability of raw material at stable prices is an essential prerequisite for business profitability.

Mitigation measures

India has an abundance of fibres for the textile sector, hence availability has never been an issue. Moreover, the Company has strong business relations with its vendor base to ensure seamless raw material availability. The Company leverages its good offices with its large vendor base to secure the best prices for key inputs.

Customer risk: Customer attrition could impact business prospects.

Mitigation measures

Maral's ability to customise products according to customer requirements and deliver products aligned to time schedules allows it to retain and grow along with its customers. Over the last three years, the Company has added 200 new customers to its portfolio – this has ensured that it does not get over-dependent on specific customers. Further, its mélange unit will help the Company add many more customers in the current year.

Environment Risk: Textile manufacturing processes lead to GHG emissions that are detrimental to the environment and business sustainability.

Mitigation: Maral is committed to preserving the environment for which it has designed comprehensive environmental management plans to reduce the carbon footprint. Every year, the Company continues to invest time and resources in environment management initiatives – detailed elsewhere in the report.

CORPORATE INFORMATION

L.N. Jhunjunwala, Chairman - Emeritus

BOARD OF DIRECTORS

Shekhar Agarwal, Chairman & Managing Director and CEO
Ravi Jhunjunwala, Non- Executive Director
Shantanu Agarwal, Joint Managing Director
Dr. Kamal Gupta, Independent Director
Priya Shankar Dasgupta, Independent Director
Archana Capoor, Independent Director

KEY MANAGERIAL PERSONNEL

Shekhar Agarwal, Chairman & Managing Director and CEO
Shantanu Agarwal, Joint Managing Director
Manoj Gupta, Chief Financial Officer
Sandeep Singh, Company Secretary

STATUTORY AUDITOR

S S Kothari Mehta & Co. LLP

INTERNAL AUDITORS

GSA & Associates, LLP, Chartered Accountants
 Arvind Kaul & Associates, Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited,
 (Unit: Maral Overseas Limited)
 F-65, 1st Floor Okhla Industrial Area, Phase I, New Delhi: 110020
 Phone No (s): 011-41406149-52, Fax No: 011-41709881
 E-mail: helpdeskdelhi@mcsregistrars.com/admin@mcsregistrars.com

PLANT LOCATIONS

Sarovar

Maral Sarovar, V. & P.O. Khalbujurg,
 Tehsil Kasrawad, Distt. Khargone - 451 660 (M.P.)

Noida

A-11, Hosiery Complex, Phase - II (Extension), Noida - 201305 (U.P.)
 D-347, Sector-63, Noida-201307 (U.P.)
 A-37, Sector 64, Noida- 201301 (U.P.)

REGISTERED OFFICE

Maral Sarovar, V. & P.O. Khalbujurg,
 Tehsil Kasrawad, Distt. Khargone - 451 660 (M.P.)
 Website: www.maraloverseas.com

CORPORATE OFFICE

Bhilwara Towers,
 A-12, Sector -1,
 Noida - 201 301 (U.P.)

KEY EXECUTIVES

Sarovar Plant

Tarun Kumar Baldua, President

Noida Plant

Naveen Maheshwari, Senior Vice President

BANKERS

Bank of Baroda
 State Bank of India
 Union Bank of India
 Central Bank of India
 Canara Bank
 Export-Import Bank of India
 UCO Bank

DIRECTORS' REPORT

To the members

Your Directors are pleased to present the Thirty Fifth Annual Report of your Company on business and operations along with the Audited Financial Statements and the Auditor's Report thereon for the financial year ended 31st March, 2024.

The Financial performance of the Company for the year ended 31st March, 2024 is summarized as below:

Financial Results	(₹ in Crore)	
Particulars	2023-24	2022-23
Revenue from Operations	960.06	1025.85
Profit before Interest & Depreciation	59.75	34.71
Less: Finance Cost	33.95	23.10
Profit before Depreciation & Amortisation	25.80	11.61
Less: Depreciation & Amortisation	34.26	29.97
Profit/(Loss) before Tax	(8.40)	(18.36)
Less:		
a) Current Tax	-	-
b) Deferred Tax	1.30	(1.69)
c) Taxes adjustment for earlier years	-	(0.74)
Profit/(Loss) after Tax	(9.77)	(15.93)
Add: Opening Balance	21.21	45.39
Add: Transfer to Capital Redemption Reserve	-	-
Add: Other Comprehensive Income	0.85	0.05
Add: Dividend Distribution	-	(8.30)
Balance at the end of the year- Retained Earning	12.29	21.21

Number of meetings of Board of Directors

The particulars of the meetings of Board of Directors held during the year, along with details regarding the meetings attended by the Directors forms part of Corporate Governance Report. The composition of Board and its Committees has also been provided in detail in Corporate Governance Report.

Dividend and Other Appropriations

In view of the financial position of the Company during the year under review, the Board of Directors have not recommended any dividend on the Equity Shares of the Company.

Operational Performance

The Directors of your Company inform the members that during the year under review, the textile industry faced challenges with weak international demand, particularly in Europe and the USA, attributed to inflation and stagnant domestic markets. Additionally, rising costs, including increased minimum wages and withdrawal of power subsidies by the Government of Madhya Pradesh, added pressure on operational expenses. During the year under review, spinning division operated at ~92% capacity due to decreased demand and low margins in certain yarn types, impacting profitability. Fabric segment was impacted by challenging global market conditions and lower customer

target prices, leading to lower than expected capacity utilization. Despite this, the fabric segment remained profitable. The garment segment faced challenges due to inflation and decreased orders from international buyer's, exacerbated by sluggish domestic demand. Efforts in forthcoming year will concentrate on optimizing capacity use and enhancing operational efficiencies to offset margin pressures.

The Company aims to expand customer base, introduce new yarns, and focus on high-margin segments like cellulosic blended and specialty yarns. Further, marketing strategy for Garment segment would continue on similar lines as before, to take advantage of Company's vertical integration and pitch to the global brands.

Your Company has commenced the commercial operations of the new Spinning Unit set-up for producing Mélange Yarn at Sarovar Plant with effect from 30th March, 2024.

In view of cost optimization at the garment division to increase profitability and efficiency, operations of Unit located at C-126, Sector 63, Noida-201307 (U.P.) was consolidated with Unit located at A-37, Sector 64, Noida-201301 (U.P.) and after consolidation of said Unit, the lease was discontinued w.e.f. 30th April, 2023. Further, post closure of financial year 2023-24, operations of Faridabad Unit located at 12/4, Main Mathura Road, Faridabad, Haryana-121003, was also consolidated with operations of unit located at A-37, Sector 64, Noida, Uttar Pradesh-201301, and lease was discontinued with effect from 1st May, 2024.

Your Company achieved a turnover of ₹960.06 Crore for the year ended 31st March, 2024 against ₹1025.85 Crore in the previous year ended 31st March, 2023. Further, the Company achieved an operational profit of ₹59.75 Crore as against ₹34.71 Crore in the previous year. The Company recorded a Net Loss of ₹9.77 Crores as against a Net loss of ₹15.93 Crore reported in the previous year.

During the period under review, your Company recorded a production of 17,155 MT of grey yarn (FY23 13,281 MT), 2,852 MT of dyed yarn (FY23 2,542 MT), 3,551 MT of grey knitted fabric (FY23 3,507 MT), 4,978 MT of processed fabric (FY23 4,756 MT) and 36.05 Lakh pieces of garments (FY23 51.32 Lakh pieces).

During the year under review, the Company's exports (FOB value) were to the tune of ₹431.53 Crore (FY23 ₹432.67 Crore) and accounted for 44.95% (FY23 42.18%) of the Company's turnover. The yarn business accounted for

53.87% (FY23 45.01%) while knitted fabric and garment business accounted for 24.17% (FY23 28.64%) and 21.96% (FY23 26.35%) respectively.

Modernization, Expansion and Diversification

Your Directors in their previous report had informed the members about a modernization program of ₹11.00 Crore comprising of spinning, yarn dyeing, fabric processing, engineering and IT at its Sarovar Plant and an automated cutting machine, with other stitching machines etc. for the new Garment project at the Noida Plant of the Company. Your Directors also informed the members about modernization program of ₹39.00 Crore comprising of Spinning, Knitting, Processing and Engineering etc. at its Sarovar Plant. During the previous year, the said modernization program of ₹11.00 Crore and ₹39.00 Crore had been fully completed and the Company had started deriving benefits from the same.

Your Directors take pleasure in informing members that during the year under review, your Company had undertaken further modernization program comprising of Spinning, Processing, Knitting and Bio Fuel Boiler and Thermic fluid Heater at a capital outlay of ₹22.18 Crore at the Sarovar plant. It is expected that the said modernization program would be completed during the financial year 2024-25. This will result in improving the overall efficiency of production, quality of products and better utilization of installed capacity resulting to higher profitability and achieving the sustainability goals.

Your Directors in their previous report had informed the members about the project for a 132 KVA Dedicated Feeder line which was dropped. Your Directors propose to explore the possibility of setting up renewable power generation for captive consumption of power coupled with power generation through installation of roof-top solar panels.

Your Directors are hopeful that the above modernization, expansion and diversification program will lead to significant growth in the turnover and profitability of the Company.

Corporate Social Responsibility

Your Company considers Corporate Social Responsibility ('CSR') and sustainability initiatives and practices, as an important element of doing business, as a responsible corporate citizen. Your Company has been involved with social initiatives and engages in various activities in the fields of education, healthcare and community upliftment.

CSR initiatives and activities of the Company are aligned to the requirements of Section 135 of the Companies Act,

2013. The composition and terms of reference of the CSR Committee are given in the Corporate Governance Report. The Annual Report on the CSR initiative undertaken by the Company as per the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure I** forming part of this Report. The Company's Corporate Social Responsibility Policy as approved by the Board of Directors is disclosed on the website of the Company at https://www.maraloverseas.com/policy/MOL_CSR_Policy.pdf.

Annual Return

Pursuant to Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return for the financial year 2023-24, is available on the website of the Company at www.maraloverseas.com/Uploads/financial/2024MOL_MGT-7.pdf

Directors and Key Managerial Personnel

The Board of Directors of your Company as on date of this report comprises Six (6) directors, of which one (1) is a Chairman & Managing Director and CEO, one (1) Joint Managing Director, one (1) Non-Independent & Non-Executive Director and three (3) Directors are Non-Executive & Independent Directors.

Pursuant to Sections 152 of the Companies Act, 2013, Shri Ravi Jhunjhunwala (DIN-00060972) is liable to retire by rotation and being eligible offers himself for re-appointment at the 35th Annual General Meeting of your Company.

Your Directors further inform the members that pursuant to the provisions of section 149(7) of the Companies Act, 2013, a declaration has been received from the Independent Directors at the beginning of the financial year stating that the criteria of independence have been met as specified under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

During the year under review, Shri Virendra Kumar Garg resigned from the position of the Company Secretary & Compliance Officer with effect from 15th November, 2023. The Board in its meeting held on 7th February, 2024, appointed Shri Avnish Maurya as Company Secretary & Compliance Officer of the Company with immediate effect. He also resigned from the said position with effect from 19th March, 2024. The Board in its meeting held on 20th March, 2024 appointed Shri Sandeep Singh as Company

Secretary & Compliance Officer of the Company with immediate effect.

Shri Shekhar Agarwal, Chairman & Managing Director and CEO, Shri Shantanu Agarwal, Joint Managing Director, Shri Manoj Gupta, Chief Financial Officer and Shri Sandeep Singh, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on 31st March, 2024.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. Further, none of the Directors are debarred from holding the office of Director pursuant to any SEBI Order or any other such authority. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013.

Nomination and Remuneration Policy

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Schedule II Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Nomination and Remuneration Policy had been framed for the appointment of Directors, Key Managerial Personnel and Senior Management and fixation of their remuneration. The Nomination and Remuneration Policy of the Company is annexed as **Annexure II** and forms part of this Report.

Your Directors inform the members that the Nomination and Remuneration Committee as well as your Directors endeavor to follow the policy and all appointments in Board and Senior Management are considered at the meeting of the Committee and the Board.

Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual evaluation has been done by the Board of its own performance, its Committees and individual Directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of this Report. Your Directors feel pleasure in informing the members that the performance of the Board as a whole and its members individually was adjudged satisfactory.

Further, every Independent Director of the Company is familiarized with the Company, their roles, rights, responsibilities in the Company, nature of industry in which Company operates, business model of the Company, etc., through various programs.

Auditors

Statutory Auditors

S S Kothari Mehta & Co. LLP, Chartered Accountants, (Firm Registration No. 000756N/N500441) were appointed as Statutory Auditors of the Company for the second term of five consecutive years, starting from the conclusion of 33rd Annual General Meeting ('AGM') held on 25th August, 2022 till the conclusion of 38th AGM of the Company to be held in the year 2027. S S Kothari Mehta & Co. LLP, Chartered Accountants, have confirmed their eligibility under section 141 of the Companies Act, 2013 and rules framed thereunder.

During the year under review, the Auditor did not report any matter under Section 143(12) of the Companies Act, 2013; therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013. The observations of the Auditor, if any, are explained wherever necessary, in the appropriate notes to the accounts. The Statutory Auditor's Report does not contain any qualification, reservation or adverse remark, disclaimer or emphasis of matter.

Internal Auditors

Pursuant to Provisions of section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company had appointed M/s. GSA & Associates, LLP, Chartered Accountants and M/s. Arvind Kaul and Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2023-24.

The role of Internal Auditors includes but is not limited to review of internal systems, standard operating procedures, adherence to statutory laws & other operational norms as set by the management, monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, etc.

Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Pranav Kumar & Associates, Company Secretaries, as Secretarial Auditor of the Company for the year ended 31st March, 2024. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Report of Secretarial Auditor is annexed as **Annexure III** forming part of this Report.

Cost Auditor

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors)

Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 as amended, the Board of Directors of the Company on the commendation of Audit Committee had approved the appointment of M/s. K. G. Goyal & Co. as the Cost Auditor to conduct the audit of the cost records of the Company for the year ended 31st March, 2024.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments are given in the notes to the financial statements at appropriate places.

Particulars of Contracts or Arrangements with Related Parties

All contracts/arrangement/transactions entered into by the Company during the financial year with related parties were in compliance with applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Prior omnibus approval of the Audit Committee was obtained for all related party transactions, which are foreseen and repetitive in nature. Pursuant to the said omnibus approval, details of transactions entered into are also reviewed by the Audit Committee and the Board of Directors on a quarterly basis.

All related party transactions entered into by the Company during the financial year with related parties were on arm's length basis at prevailing market price and in the ordinary course of business. During the financial year, there was no material contract or arrangement entered into by the Company with any of the related parties. Your Directors draw attention of the members to note no. 40 to the financial statements which contain particulars with respect to related parties. The policy on dealing with the related party transactions as approved by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.maraloverseas.com/policy/Related%20Party%20Transactions%20Policy.pdf>

Significant and Material Orders Passed by the Regulators or Courts

There was no significant and material order passed by the regulators or courts during the year under review.

Risk Management

Your Company recognizes that risk is an integral part of business and is committed to manage the risks in a proactive and efficient manner. Your Company has adopted Risk Management Policy for risk identification, assessment and mitigation. Major risks identified by the Company are systematically addressed through mitigating

actions on a continuous basis. The risk management policies cover areas such as Environment, Health & Safety, Statutory Compliances and Returns, Energy, On Time Performance, Quality, Commodity Pricing, Outsourcing, Budgeting and Planning, Government Policies etc. The Company endeavor to continuously sharpen its Risk Management systems and processes in line with rapidly changing business environment. The Company, through its risk management process, aims to contain the risks within its risk appetite. Further, the policy aims at creating and protecting shareholders' value by minimizing threats, weaknesses and identifying and maximizing opportunities. Pursuant to the policy, your Directors periodically review the risks associated with the business or which threaten the prospects of the Company.

Corporate Governance

Your Company has a rich legacy of ethical governance practices and is committed to transparency in all its dealings and places high emphasis on business ethics. Your Company always places emphasis on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to its performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and to the society at large, and strives to serve their interests, resulting in creation of value for all stakeholders.

A report on Corporate Governance along with the Certificate of Statutory Auditors confirming compliance of Corporate Governance as stipulated under point E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, forms an integral part of this Annual Report.

Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are captured in the Company's Whistle Blower Policy to enable all the stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism. The Company has appointed a Nodal Officer to whom the complaints can be made. In exceptional cases an opportunity is provided to the Whistle Blower to make a direct appeal to the Chairman of the Audit Committee. All employees shall be protected from any adverse action for

reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rules, or regulations.

The policy has been disclosed on the website of the Company at <https://www.maraloverseas.com/policy/Whistle%20Blower%20Policy.pdf>

Management Discussion and Analysis Report

Management Discussion and Analysis Report, as required under Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, forms part of this Annual Report.

Internal Control Systems

Your Company maintains adequate Internal Control system and procedures commensurate with its size and nature of operations of the Company. The Company's governance framework is designed to enhance performance predictability, business continuity and ensure organization-wide compliance with all relevant laws of the land. Internal Control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances. Internal Controls also facilitate optimum utilization of resources, protect Company's assets and stakeholder's interests. Internal Auditors also ensure proper compliance of all policies and Standard Operating Procedures (SOPs) adopted by the Company. Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Directors inform the members that your Company continuously evaluates various energy conservation measures in all areas of operation across all its manufacturing plants. The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rules, 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure-IV** forming part of this Report.

Particulars of Employees

The information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-V** forming part of this Report.

Further, disclosures pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The relevant Statement is annexed as **Annexure-VI** forming part of this Report.

Significant material changes after balance sheet date affecting financial position

Except the following change, there is no change which affects the financial position of the Company between the end of the financial year of the Company to which the financial statements relate i.e. 31st March, 2024 and the date of Report i.e. 9th May, 2024:

- The Company has entered into a settlement agreement in the pending insolvency litigation filed against Orient Craft Limited, for resolving the dispute by receiving settlement amount of ₹7,25,75,760/-. Upon receipt of settlement amount, the Company has taken necessary steps to withdraw the Petition filed before the National Company Law Tribunal, Chandigarh.

Subsidiaries, Joint Ventures and Associates Companies

The Company does not have any Joint Ventures, Subsidiaries and Associate Companies.

Public Deposit

During the year under review, your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for repayment.

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

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has complied with provisions relating to the constitution of Internal Complaints Committee for reporting concerns with regard to sexual harassment at workplace.

Your Directors inform the members that during the year under review, Internal Complaint Committee did not report receipt of any complaint with regard to sexual harassment.

Directors' Responsibility Statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors state that:

- in the preparation of the annual accounts, applicable accounting standards have been followed and no material departures have been made from the same;
- appropriate accounting policies have been applied consistently and they have 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 as on 31st March, 2024 and of the profit and loss of the Company for the year ended 31st March, 2024;
- proper and sufficient care has been taken 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;
- the annual accounts have been prepared on a going concern basis;
- proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- the systems to ensure compliance with the provisions of all applicable laws were in place, adequate and operating effectively.

Disclosure of Accounting Treatment

The Company has followed the same accounting treatment as prescribed in the relevant Indian Accounting Standards while preparing the Financial Statements.

Transfer to Investor Education and Protection Fund

In terms of the provisions of Section 124 and 125 of the Companies Act, 2013 read with the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, there was no unclaimed amount or shares during the financial year that were required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Details of unpaid / unclaimed amount of dividend for the financial year 2021-22, are available at the website of the Company at <https://www.maraloverseas.com/unpaid&unclaimeddividend.php>. Pursuant to Section 124 and 125 of the Companies Act, 2013, dividend that are unpaid or unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred by the

Company to the Investor Education and Protection Fund ("IEPF"). Further, according to said IEPF Rules, shares in respect of which dividend remains unpaid/ unclaimed by the shareholders for 7 (seven) consecutive years shall also be liable to be transferred to the Demat account of the IEPF Authority. Therefore, the Company requests all the members to encash/ claim their unpaid/ unclaimed dividend within the prescribed time.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions in these items during the financial year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- III. No amount has been transferred to General Reserves during the year.

- IV. There was no change in the nature of business of the Company.
- V. There was no fraud found which has been reported to the Audit Committee / Board members as well as to the Central Government.

Acknowledgements

Your Directors place on record their acknowledgement and sincere appreciation to all our clients, customers, vendors, dealers, bankers, investors, other business associates, Central and State Governments for their continued support and encouragement during the year and their confidence towards the management. Your Directors would also like to thank employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board
Maral Overseas Limited

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Place: Noida (U.P.)
Date: 9th May, 2024

Annexure – I to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

- 1 **Brief outline on CSR Policy of the Company.** The brief outline of CSR policy has been enumerated in the Directors' Report under the para Corporate Social Responsibilities.

- 2 **Composition of CSR Committee:**

S. 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 Priya Shankar Dasgupta	Chairman of the Committee/ Non Executive Independent Director	4	4
2	Shri Shekhar Agarwal	Member/ Executive Director	4	4
3.	Dr. Kamal Gupta	Member/ Non Executive Independent Director	4	4
4.	Shri Shantanu Agarwal	Member/ Executive Director	4	4

- 3 Web-link where Composition of CSR committee, CSR Policy and CSR projects/activities approved by the Board are disclosed on the website of the Company. https://www.maraloverseas.com/policy/CSR_Policy
- 4 Provide the executive summary along with web-link 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. **Not Applicable**
- 5
 - a) Average net profit of the company as per section 135(5). **₹3483.29 Lakh**
 - b) Two percent of average net profit of the company as per section 135(5): **₹69.67 Lakh**
 - c) Surplus arising out of the CSR projects or programs or activities of the previous financial years. **Not Applicable**
 - d) Amount required to be set off for the financial year, if any **Not Applicable**
 - e) Total CSR obligation for the financial year {(b+c)-(d)}. **₹69.67 Lakh**
- 6
 - a) Amount spent on CSR Project :-
 - Ongoing Project **₹27.18 Lakh**
 - Other than Ongoing Project **₹42.49 Lakh**
 - 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) **₹69.67 Lakh**
 - e) **CSR amount spent or unspent for the financial year:**
 - i. Total Amount Spent for the Financial Year **₹42.49 Lakh**
 - ii. Total Amount transferred to Unspent CSR Account as per section 135(6). **₹27.18 Lakh**
Amount/ Date of transfer **8th April, 2024**
 - iii. Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Name of the Fund/ Amount/ Date of transfer **Not Applicable**

f) Excess amount for set off, if any- Nil (₹ in Lakh)

S. No.	Particulars	Amount
i.	Two percent of average net profit of the company as per section 135(5)	69.67
ii.	Total amount: <ul style="list-style-type: none"> Spent for the Financial Year : 42.49 Transferred to Unspent CSR Accounts as per Section 135(6) : 27.18 for ongoing projects 	69.67
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7 Details of Unspent CSR amount for the preceding three financial years: (₹ in Lakh)

S. No.	Particulars	Amount
i.	Preceding Financial Years	2022-23, 2021-22 and 2020-21
ii.	Amount transferred to Unspent CSR Account as per section 135(6)	Not Applicable
iii.	Balance Amount in unspent CSR account under sub- section (6) of section 135	Not Applicable
iv.	Amount spent in the reporting Financial Year	Not Applicable
v.	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Amount / Date of transfer	Not Applicable
vi.	Amount remaining to be spent in succeeding financial years	Not Applicable
vii.	Deficiency, if any	Not Applicable

8 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR amount spent in the financial year. : Not Applicable

9 Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5). : Not Applicable

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Priya Shankar Dasgupta
Chairman of CSR Committee
DIN: 00012552

Place: Noida (U.P.)
Dated: 9th May, 2024

Annexure –II to Directors' Report

Nomination and Remuneration Policy

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, every Listed Public Company is required to constitute a Nomination and Remuneration Committee (**NRC**) with at least three Non-Executive Directors, out of which not less than two- thirds shall be Independent Directors.

The Company already had in place a Remuneration Committee which was made well in line with the above mentioned requirements. Board has the authority to reconstitute this Committee from time to time. In order to align with the policy of the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of the Company at their meeting held on the 22nd April, 2014, renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee and Nomination and Remuneration Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applies to the Board of Directors, Key Managerial Personnel and the Senior Management of the Company.

"Key Managerial Personnel (KMP) means and comprise-

- Managing Director & Chief Executive Officer or the Manager;
- Whole Time Director,
- Chief Financial Officer,
- Company Secretary,

"**Senior Management**" shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/ Whole Time Director/Manager (including Chief Executive Officer/ Manager, in case they are not part of the Board) and including Functional Heads and shall specifically include Company Secretary and Chief Financial Officer.

Role and Objective of Committee:

- To formulate 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.
- Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board for every appointment of an Independent Director 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.
- Identify persons who are qualified and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
- Recommend to the Board the appointment and removal of Directors and Senior Management.
- Formulate criteria for effective evaluation of performance of Independent Directors, Board, its Committees and Individual Directors to be carried out either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance.
- To devise a policy on Board diversity.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run Company successfully. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

8. To develop a Succession Plan for the Board and to review it regularly.
9. To recommend to the Board, all remuneration, in whatever form, payable to senior Management.
10. To perform such other functions as may be referred by the Board or be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder.
11. To recommend 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.
12. Such other key issues/matters as may be referred by the Board or as may be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and provision of the Companies Act, 2013 & Rules thereunder.

Membership:

1. The Committee shall comprise at least three (3) Directors.
2. All members shall be Non- Executive Directors and at least two third of them shall be Independent Directors.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman:

1. Chairman/Chairperson of the Committee shall be an Independent Director.
2. Chairman of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
3. In the absence of the Chairman/Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman/ Chairperson.
4. Chairman/Chairperson of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some

other member of the Committee to answer the shareholders' queries.

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet at least once in a year.

Quorum:

The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance.

Committee Member's Interests:

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

Voting:

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment of Directors/KMP/Senior Management:

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, experience, integrity, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Management, which, in turn, will enhance the skill sets and experience of the Board as a whole;

The nature of existing positions held by the appointee including Directorship and such other relationship and the impact of the same on the Company's welfare.

Term / Tenure:

Appointment of Managing Director / Whole time Director:

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders of the Company as per the applicable provisions of the Companies Act, 2013 and rules made thereunder and in compliance of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended time to time.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment for a period up to five years or such other period as may be stipulated on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

Removal/Retirement:

Due to any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations. The Directors, KMP and Senior Management shall retire as may be recommended by the NRC and approved by the Board as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

Letter of Appointment:

Each Independent/KMP/Senior Management, Director is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Policy on Board Diversity:

The Nomination and Remuneration Committee shall ensure that the Board of Directors has the combination of Directors from different areas/ fields or as may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/ financial management expertise.

Remuneration of Directors, Key Managerial Personnel and Senior Management:

The salaries of Directors, Key Management Personnel and other Senior Management shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

1. Fixed Pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee in accordance with the applicable provisions of the Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis;

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. Provision for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of members by way of Special Resolution, where required, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the Company.

4. Increment:

Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.

5. Sitting Fees:

A Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof unless he/she is not getting any remuneration by way of Salary. Provided that the amount of such fees per meeting of the Board or Committees shall not exceed the maximum amount as provided in the Companies Act, 2013 as amended from time to time.

6. Remuneration/Commission to Non-executive / Independent Director:

The remuneration/commission to Non-executive / Independent Director shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.

Except with the approval of the Company in the general meeting by a Special Resolution the overall Commission to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013 & rules thereto.

Evaluation/ Assessment of Directors of the Company:

The evaluation/assessment of the Directors, of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Regulations, 2015, as amended from time to time.

The following criteria may assist in determining how effective the performance of the Directors has been:

- Leadership & stewardship abilities.
- Assess policies, structures & procedures.
- Regular monitoring of corporate results against projections.
- Contributing to clearly define corporate objectives & plans.
- Obtain adequate, relevant & timely information.
- Review achievement of strategic and operational plans, objectives, budgets.
- Identify, monitor & mitigate significant corporate risks.
- Review management's Succession Plan.
- Effective meetings.
- Clearly defining role & monitoring activities of Committees.
- Review of ethical conduct.

Evaluation following the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

Manner for Effective Evaluation of Performance of Board, its Committees and Individual Directors:

The Performance Evaluation of Independent Directors, the Board as a whole, its Committees shall be carried out on Annual Basis and be reported to the Board of Directors for further evaluation. The Director being evaluated will not participated in evaluation process.

Performance Evaluation of KMPs/ Senior Management of the Company.

The performance evaluation of KMPs/ Senior Management is measured with regard to the goals and objectives set for the year and increase in compensation & reward by way of variable bonus is linked to the evaluation of individual's performance. Additionally, industry benchmarks are also used to determine the appropriate level of remuneration, from time to time.

Deviations from this Policy:

Deviations on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case. However, this shall be subject to the approval of the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Company.

Policy review:

- a. This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the subject as may be notified from time to time.
- b. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/ or the Board of Directors.

Annexure – III to Directors' Report

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

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

To,

The Members,
Maral Overseas Limited
CIN: L17124MP1989PLC008255
Maral Sarovar V & P.O., Khalbujurg Tehsil,
Kasrawad, Khargone- 451660, Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Maral Overseas Limited (hereinafter called "the Company") for the audit period covering the financial year ended on 31st March, 2024 (hereinafter referred to as ("the audit period"). 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representation made by the Management, we hereby report that in our opinion, the Company has, during the audit period 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 maintained by company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and byelaws 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; (Complied to the extent applicable).

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. Securities and exchange Board of India (Registrar to an issue and share transfer Agents) Regulations, 1993;
- e. Securities and exchange Board of India (depositories and participants) regulations, 2018;
- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- Not Applicable as no reportable event during the year under review;
- g. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021– Not applicable to the Company during the audit period;
- h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 – Not applicable to the Company during audit period;
- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the audit period;

and circulars/ guidelines issued thereunder.

Annexure -1

The management has identified and confirmed the following laws as specifically applicable to the Company:

- The Boilers Act, 1923 as amended by the Indian Boilers (Amendment) Act, 2007;
- The Water (Prevention and control of Pollution) Act, 1974;
- The Air (Prevention and control of Pollution) Act, 1981;
- The Environment (Protection) Act, 1986;
- The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees State Insurance Act, 1948;
- The Factories Act, 1948;
- Maternity Benefit Act, 1961;
- Payment of Gratuity Act, 1972;
- Equal Remuneration Act, 1976;
- The Employers' Liability Act, 1938; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

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

We further report that, based on the information provided and the representation made by the Company and also on the review of the internal compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable industry specific Acts, general laws like labour laws and environmental laws etc. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the Company relating to Industry/ Labour etc., have been complied with.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax

laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent within prescribed time, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee(s) of the Board as the case may be.

We further report that during the audit period, based on the information provided and the representation made by the Company there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, we are of the opinion 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.

For **Pranav Kumar & Associates**,
Company Secretaries
Firm Peer Review No. 1035/2020

(**Arpita Saxena**)
Partner
ACS- 23822: COP-11962
UDIN: A023822F000339896

Date: 9th May, 2024
Place: Ghaziabad

Note: This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

To,
The Members,
Maral Overseas Limited
CIN- L17124MP1989PLC008255
Maral Sarovar V & P.O., Khalbujurg Tehsil,
Kasrawad, Khargone- 451660, Madhya Pradesh, India

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter:

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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 procedures on a test basis.
- 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 **Pranav Kumar & Associates**,
Company Secretaries
Firm Peer Review No. 1035/2020

(**Arpita Saxena**)
Partner
ACS- 23822: COP-11962
UDIN: A023822F000339896

Date: 9th May, 2024
Place: Ghaziabad

Annexure – IV to Directors' Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Required under Companies (Accounts) Rules, 2014.

A. Conservation of Energy:-

1) Steps taken or Impact on conservation of energy:

Sarovar:-

- Replacement of energy efficient motors and pulley conversion with frequency drive on Ring frames of Unit 4 (Total 6 machines of 40 KW).
- Regular monitoring, audit and maintenance of air leakages, steam & water leakages to minimize losses on account of leakages.
- Storage capacity for hot water increased, in order to save heat energy.

Plan for next year:

- To replace old compressor with energy efficient compressor on high pressure line.
- To install VFD on supply and return fan in preparatory section of Humidification plant in units 4 & 5.
- To explore the possibilities of IE-4 motors i.e. high efficiency motors against existing motors in Yarn Dyeing machines.

A-11 Hosiery Complex- Noida:-

- Solar panel installed with capacity of 105 KW on building terrace.
- Installed 10 no. of highway lights in cutting/ finishing with energy efficient low electricity consumption.
- 100KF PNG fired Boiler installed.
- DG set converted from diesel fuel to PNG.

Plan for next year: -

- To Install 400 KF PNG Fired Boiler.

D-347, Sector- 63-Noida:

- Solar panel installed with capacity of 35 KW on building terrace.
- Installed 10 no. of highway lights in finishing with energy efficient, low consumption of electricity.

- Installed the Double Head Needle Detector Machine to Double check the quality.
- Installed the De Humidifier to maintain the Humidity in Dry Room.
- DG set converted from diesel fuel to PNG.

Plan for next year:-

- To install BFD compressor with capacity 105 CFM.

A-37, Sector 64, Noida: -

- Solar panel installed with capacity of 250 KW at building terrace.
- Cosmo auto cutter machine installed in cutting section.
- Spreader and leveler installed in cutting section.
- Installed 20 no. of highway lights in finishing & production with energy efficient of low consumption of electricity.
- Converted from Diesel to PNG dual fuel based Genset with capacity 250 KVA.

Plan for next year: -

- To install PNG based Boiler with capacity 500 kg.

2) Steps taken by the company for utilizing alternate sources of energy:

Sarovar:-

- Planning to install roof top solar power panels of 3 MW under OPEX, beside this 1 MW solar power panels already in operation.
- Planning to install biofuel based Boiler and Thermopack as alternate source of energy and also to reduce carbon emission.

Noida:-

- Installed Roof Top Solar Plant.

3) Capital investment on energy conservation equipment:

Sarovar: An investment of approx. ₹45 Lakh has been done for energy conservation during 2023-24.

A-11, Hosiery Complex- Noida: ₹7 Lakh

D-347 Sector -63- Noida: ₹90 Lakh

A 37, Sec 64- Noida Unit: ₹1,200 Lakh

B. Technology Absorption:-

1. Efforts made towards technology absorption:

Sarovar:

a) The efforts made towards technology absorption:

- Suessen compact attachment in Unit No. 1 for increasing production of compact yarns.
- Uster Quantum Clearers being procured for increasing clearing efficiency thus improving quality of yarn.
- Replaced Knitting machines with new 13 Nos. Pailung Knitting machines.
- No. of Ring frames increased for production of Aramid yarn, which is a value-added product.
- Socks knitting machine in Yarn Dyeing for quality check of fleece fabrics.
- Loptex EXA Contamination Sorter installed in one Blow Room line to remove non-fluorescent type PP contamination.

b) Research & Development:

- Developed a product range on the inspiration of Loose Knit in showcase which is highly appreciated and selected by various customers and Brands. Some of the products have been finalized for salesman sampling by different Brands.
- Newness in Spandex - Developed new and innovated Spandex with the property like Dyeable Spandex, Recycled Spandex & Function Spandex (Inherent property of Anti Odor + Antibacterial activity).

A-11, Hosiery Complex- Noida:

- Installed the Digitization System to reduce the DHU and increase Efficiency.

D-347 Sector -63- Noida:

- Solar panel installed with capacity of 35 KW at building terrace

- Installed 10 no. of highway lights in finishing with energy efficient of low consumption of electricity.
- Installed the Double Head Needle Detector Machine to Double check the quality.
- Installed the De Humidifier to maintain the Humidity in Dry Room.
- DG set converted from diesel fuel to PNG.

A 37, Sec 64- Noida Unit:

- Solar panel installed with capacity of 250 KW at building terrace.
- Cosmo auto cutter machine installed in cutting section.
- Spreader and leveler installed in cutting section.
- Installed 20 no. of highway lights in finishing & production with energy efficient of low consumption of electricity.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

Fabric:

- Nomination Business - Developed liquid touch product and got it approved for the nomination business of PVH globally. Master products are - Single Jersey 155 GSM, Single Jersey 175 GSM & Interlock 185 GSM. All these master products are in Solid shade, Print & Yarn Dyed and bulk supplied successfully.
- Successfully developed and supplied Regen Agri and Regenerative Organic Cotton (ROC) yarn and fabrics.

Yarn:

- Two ply Acrylic Yarn (100%) produced for outdoor and technical application for export customer.
- Mod Acrylic (Protex-C) with cotton blended yarn made for Personal Protective Equipment (PPE) application.
- TFO yarn on perforated cone produced first time for an Italian customer.
- Ne 10 CSY yarn made with branded Lycra 70 Denier, Type 166L from the Lycra Company, Singapore. Produced for Japanese customer.

- v. One step towards sustainability we introduced.
- vi. Recycle Polyester in Mélange Unit.
- vii. Dope dyed Viscose in Mélange plant instead of Self dyeing.
- viii. Mod Acrylic and Aramid fibers introduced in Mélange unit for PPE application fabric.

A-11, Hosiery Complex- Noida:

- i. In house Manufactured Auto Tape dispenser which reduced the Packing Time.
- ii. Menthol Kaj attachment procured and production done successfully earlier done on job work.
- iii. Develop 3 stripe Machine to enhance quality and production.
- iv. Bar tack Machine Developed the Cycle programmed in House we can bar tack one time every type of bar tack special for Adidas max. 14 to 16 bar tack.
- v. Button Machine Special for 1 Side Hole attached in Button machine.
- vi. Convert the lines in online finishing.
- vii. Bar Tack Machine Developed the Attachment in House for draw core bar tack Directly Without using Single Needle Lock stitch this attachment developed successfully for Van Heusen. Save 1 single needle Lock Stitch Machine with operator.

D -347 Sector -63, Noida:

- i. To minimized the machine maintenance cost.
- ii. Modified the machine for folder making.
- iii. Piping Folder developed for Overlock Machine Special Order for Adidas & other customers.
- iv. Boiler fencing and insulated steam line.
- v. Increase the production efficiency & cost optimization.

A 37, Sector- 64, Noida:

- i. To minimize the machine maintenance cost and increase the production efficiency.
- ii. Modified the machine for folder making.
- iii. Installed Eco-friendly steam and other pipe lines.
- iv. ETP has been installed to treat the waste water and recycle the same.

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

Sarovar & Noida

- i. The details of technology imported: N.A.
- ii. The year of import: N.A.
- iii. Whether the technology been fully absorbed: N.A.
- iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

4. Expenditure incurred on Research and Development

Sarovar: The expenditure incurred on Research and Development: ₹88.93 Lakh for financial year 2023-24.

Garment Units:

- A-11, Hosiery Complex- Noida: Nil
- D-347 Sector -63- Noida: Nil
- A 37, Sec 64- Noida: Nil

C. Foreign Exchange Earnings and Outgo

During the year, the Company has earned foreign exchange equivalent to ₹43,540.54 Lakh at FOB price against an outgo of ₹4,902.70 Lakh compared to the previous year's ₹43,766.83 Lakh and outgo of ₹16,754.69 Lakh respectively.

Annexure – V to Directors' Report

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2023-24.

S. No.	Name	Designation	% increase in remuneration in the financial year 2023-24
1	Shri Shekhar Agarwal	Chairman & Managing Director and CEO	11.30
2	Shri Shantanu Agarwal	Joint Managing Director	12.50
3	Shri Manoj Gupta	Chief Financial Officer	2.29
4	Shri Virendra Kumar Garg	Company Secretary & Compliance Officer	Nil*
5	Shri Avnish Maurya	Company Secretary & Compliance Officer	Nil#
6	Shri Sandeep Singh	Company Secretary & Compliance Officer	Nil&

*Resigned w.e.f. 15th November, 2023.

#Appointed on 7th February, 2024 and resigned w.e.f. 19th March, 2024.

&Appointed on 20th March, 2024.

2. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company:** The ratio of remuneration of Shri Shekhar Agarwal, Chairman & Managing Director and CEO to the median remuneration of the employees of the Company for the financial year 2023-24 is 111.94:1.
3. The percentage increase in the median remuneration of employees in the financial year is 5.31%.
4. There were 2587 permanent employees on the rolls of the Company as on the 31st March, 2024.
5. Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2023-24 was 6.8% and average increase in the managerial remuneration for the same financial year was 8.70%.
6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

Annexure - VI to Directors' Report

Statement of Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A. Top ten employees in terms of remuneration drawn:

S. No.	Name of Employee	Designation	Remu-neration (₹ Lakh)	Qualification	Expe-rience (Year)	Commence-ment of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organiza-tion	Post Held	Dura-tion (Years)
1	Shri Shekhar Agarwal	Chairman & Managing Director and CEO	234.65	B.Tech (ME) M.Sc (Chicago)	46	27.01.1989	7,55,573	Contractual	71	RSWM LTD.	Vice Chairman & Managing Director	25
2	Shri Shantanu Agarwal	Joint Managing Director	107.26	B.S. in Electrical and Computer Engineering-CMU, USA & MBA (USA)	16	01.04.2022	5,54,500	Permanent	38	BMD Pvt. Ltd.	Managing Director	14
3	Shri Tarun Kumar Baldua	President	48.64	C.A.	36	02.12.2023		Permanent	61	Surya Roshni Limited	ED & CEO	11
4	Shri Sanjay Janghala	Vice President-Operations	101.00	B.Sc.	29	14.10.2019	-	Permanent	51	Orient Craft Ltd.	COO	2.5
5	Shri Manoj Gupta	Chief Financial Officer	63.66	C.A.	22	01.11.2022	-	Permanent	47	Simbhaoli Sugars Ltd.	GM	5
6	Shri Mohit Maheshwari	Sr. Vice President - Marketing	60.48	MBA	26	01.04.1999	-	Permanent	49	-	-	-
7	Shri Naveen Maheshwari	Sr. Vice President	54.70	B. Com.	38	01.04.2002	-	Permanent	57	HEG Ltd.	Dy. General Manager-MIS	7
8	Shri Sanjay Bolya	Vice President	45.61	C.A.	21	03.10.2022	-	Permanent	47	Vardhman Textiles Ltd.	Sr. V.P.	3
9	Shri Navjot Walia	AVP-Marketing	44.53	B.Tech Textile	32	07.03.2011	-	Permanent	54	Souza Designs Ltd	GM	1
10	Shri Vinay Kumar Singhal	Vice President	23.70	BE	34	26.08.2023	-	Permanent	58	Shahi Export Limited	Head Engg.	6

B. Persons employed throughout the financial year & paid ₹1 Crore two Lakh p.a. or more

S. No.	Name of Employee	Designation	Remu-neration (In Lakh)	Qualification	Expe-rience (Year)	Commence-ment of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organiza-tion	Post Held	Dura-tion (Years)
1	Shri Shekhar Agarwal	Chairman & Managing Director and CEO	234.65	B.Tech (ME) M.Sc (Chicago)	46	27.01.1989	7,55,573	Contractual	71	RSWM LTD.	Vice Chairman & Managing Director	25
2	Shri Shantanu Agarwal	Joint Managing Director	107.26	B.S. in Electrical and Computer Engineering-CMU, USA & MBA (USA)	16	01.04.2022	5,54,500	Permanent	38	BMD Pvt. Ltd.	Managing Director	14

Notes:

- Shri Shekhar Agarwal and Shri Shantanu Agarwal, being father and son respectively are related.
- None of the persons was employed for part of the year in receipt of remuneration aggregating to rupees eight lakh fifty thousand or more per month.
- None of the employees draw remuneration more than the remuneration drawn by the Managing Director and hold by themselves or along with their spouse and dependent children, more than two per cent of the equity shares of the Company.
- Salary were proportionate from the date of appointment.
- The above remuneration are CTC of the employees of the Company.

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The purpose of Corporate Governance is to cultivate effective and prudent management of the Company by describing the processes, structures, and mechanisms that influence the control and direction of the corporation through which the pursuits of the Company are set and the standards of attaining those objectives and monitoring performance are committed. A Corporate Governance structure should encourage the efficient use of resources and sets accountability for the stewardship of those resources. Good Corporate Governance is an essential part of a well-managed, successful business enterprise that delivers value to its shareholders. Board of Directors of the Company plays a pivotal role in good Corporate Governance by building up strong principles, systems and values on which the Company operates.

This Report has been prepared in accordance with the requirements laid down under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations 2015") and with a view to meticulously attain the highest standards of governance.

The Corporate Governance philosophy of your Company is based on the tenets of integrity, accountability, transparency, value and ethics. As a part of the LNJ Bhilwara Group, your Company has a strong legacy of fair, transparent and ethical governance.

Board of Directors

Composition

The composition of the Board represents a fine blend of professionals from various diversified background which enables the Board to discharge its responsibilities more efficiently and provide effective leadership. At Maral, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation.

Board comprises an optimum combination of Executive and Non-Executive Directors with the Chairman of the Board as an Executive Director. As on 31st March, 2024, Board has Six (6) Directors comprising Two (2) Executive Directors, One (1) Non-Independent Non-Executive Director and Three (3) Independent Directors (out of which one is a Woman Director). The Directors have expertise in the fields of strategy, human resource development, management, law, finance, technology etc. Board discharges its fiduciary relationships by providing guidance and independent view to the Company's Management. All the Directors, except the Chairman & Managing Director and Independent Directors are liable to retire by rotation. Shri Shekhar Agarwal, Chairman & Managing Director and CEO and Shri Shantanu Agarwal, Joint Managing Director are looking after the day to day management of the Company subject to the supervision and control of the Board of Directors.

The size and composition of the Board conforms to the requirements of Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. Other details relating to the Directors as on 31st March, 2024 are as follows:

Name, Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership / Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Director ships*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2024 [#]	Name of the Company	Category of Directorship
Shri Shekhar Agarwal, Chairman & Managing Director and CEO, Promoter–Executive	5	5	4	3	Bhilwara Technical Textiles Limited	Chairman & Managing Director and CEO
					BSL Limited	Non-Executive Director
					HEG Limited	Non-Executive Director
					RSWM Limited	Non-Executive Director
Shri Ravi Jhunjhunwala, Director, Non-Executive	5	5	9	5 (including 2 as Chairman)	BSL Limited	Non-Executive Director
					HEG Limited	Chairman & Managing Director and CEO
					India Glycols Limited	Independent Director
					JK Lakshmi Cement Limited	Independent Director
					RSWM Limited	Non-Executive Director
Shri Shantanu Agarwal, Joint Managing Director, Promoter –Executive	5	5	1	1	Bhilwara Technical Textiles Limited	Non-Executive Director
Dr. Kamal Gupta , Non- Executive, Independent Director	5	5	5	7 (including 2 as Chairman)	HEG Limited	Independent Director
					RSWM Limited	Independent Director
Shri Priya Shankar Dasgupta, Non- Executive, Independent Director	5	4	3	1 as Chairman	Ester Industries Limited [§]	Independent Director
					Timken India Limited [§]	Independent Director
					Vindhya Telelinks Limited	Independent Director
Smt. Archana Capoor, Non- Executive, Independent Director	5	5	6	5 (including 2 as Chairman)	Birla Cable Limited	Director
					RSWM Limited	Independent Director
					S. Chand and Company Limited	Independent Director
					Sandhar Technologies Limited	Independent Director
					SAMHI Hotels Limited	Independent Director

Notes:

*Excludes Directorships held in Private Limited Companies, Foreign Companies, Companies registered under Section 8 of Companies Act, 2013, Membership of Management Committee of various Chambers / Bodies.

[#]Includes Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee of Public Limited Companies.

[§]Ceased to be director w.e.f. 31st March, 2024.

None of the Directors is a member of more than ten (10) Board level Committees and Chairman of five (5) such Committees across all the Public Companies in which he/she is a Director.

During the year under review, Independent Directors fulfilled the conditions specified in the Listing Regulations, 2015 and are independent of the management. Independent Directors have given the declaration of their independence at the beginning of the financial year.

None of the Directors are related to each other except Shri Shekhar Agarwal and Shri Shantanu Agarwal, being father and son respectively.

Matrix setting out the skills/expertise/competence of the Board of Directors

The Matrix setting out the skills, expertise and competencies of Directors as on 31st March 2024, in context of business of the Company is as under:

S. No.	Name of Director	Skills/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing/Sales	Administration
1	Shri Shekhar Agarwal, Chairman & Managing Director and CEO	✓	-	✓	✓	✓	✓
2	Shri Ravi Jhunjhunwala, Non-Executive Director	✓	-	✓	✓	✓	✓
3	Shri Shantanu Agarwal, Joint Managing Director	✓	-	✓	✓	✓	✓
4	Shri Kamal Gupta, Independent Director	✓	✓	✓	-	-	✓
5	Shri Priya Shankar Dasgupta, Independent Director	✓	✓	-	-	-	✓
6	Smt. Archana Capoor, Independent Director	✓	-	✓	-	✓	✓

Number of Board meetings

During the year, there were five (5) Board meetings held on 4th May, 2023, 4th August, 2023, 1st November, 2023, 7th February, 2024 and 20th March, 2024. Video conferencing facilities were used as and when required to facilitate Directors to participate in the meeting(s).

The Board of Directors meet at least once in every quarter to review quarterly results and other items on the agenda. Additional meetings are held when necessary. The maximum time gap between any two consecutive meetings was less than 120 days.

The frequency of the meetings is enough for the Board to undertake its duties effectively. In case of any exigency or urgency of matters, resolution(s) is also passed by circulation in accordance with provisions of the Companies Act, 2013. Agenda papers containing all the necessary information were sent in advance to all Directors on a timely basis to facilitate them in planning their schedule and to ensure meaningful participation in the meetings.

Presentations are made on various business plans, budgets etc. Relevant decisions taken by Board / Committee meeting(s) were then communicated to the concerned departments / divisions.

Annual General Meeting (“AGM”) of the Company was held on 20th September, 2023 through Video Conferencing / Other Audio Visual Means during the financial year ended 31st March, 2024 and was attended by all the Directors. Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of Board of Directors were present at the aforesaid AGM to answer queries of members of the Company. Statutory and Secretarial Auditors also attended the said AGM.

Directors with materially significant pecuniary relationship or business transaction with the Company

Executive Directors receive salaries, allowances and perquisites while other Directors are paid sitting fees

for attending the Board meeting and other Committee meetings of the Board. There have been no materially significant pecuniary relationship or transaction between the Company and its Directors during the financial year under review.

Familiarization program for Independent Directors

During the year, the Independent Directors, from time to time, were apprised with overview of the business and operations of the Company. Presentations were made by the Chairman & Managing Director and CEO and by the Joint Managing Director giving an overview of the annual operating plans and budgets of the Company. All Independent Directors meet periodically with other Key Managerial Personnel, functional heads of the units, head of HR etc. to understand the service and product management and such other areas related to the Company. The details on the Company's Familiarization Program for Independent Directors and Familiarization Policy are made available on the website of the Company at <https://www.maraloverseas.com/familiar.php>.

Directors and Officers Insurance

The Company has taken Directors and Officers Insurance ('D and O Insurance') Policy, for all its Directors, including Independent Directors, based on the quantum and risks as determined by the Board of Directors of the Company.

Shareholding of Non-Executive Directors

Number of Equity Shares held by Non-Executive Directors as on 31st March, 2024 are given below:

Name of Director	Category	Number of Shares held
Shri Ravi Jhunjunwala	Non Executive Director	Nil
Dr. Kamal Gupta	Independent- Non Executive Director	1,000* / 2000**
Shri Priya Shankar Dasgupta	Independent- Non Executive Director	Nil
Smt. Archana Capoor	Independent- Non Executive Director	Nil

* Equity shares held jointly with Mrs. Usha Gupta (Spouse)

** Equity shares held by Mrs. Usha Gupta jointly with Dr. Kamal Gupta (Spouse)

Information placed before the Board:

Board has complete access to all information about the Company. The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business

issues, is regularly provided to the Board. The following information is regularly provided to the Board:

- Annual operating plan & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company and operating divisions and business segments.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement, if any.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations like wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of investments, subsidiaries, assets of material nature, which are not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer among others.

- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018.
- Quarterly Compliance Report and Investor Grievance Reports.
- Certificate with respect to Regulation 7(3) and 40 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Board is presented with detailed notes on these matters, as part of the agenda papers of the meeting or directly tabled at the Board meetings, as and when required.

Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

Committees of the Board

In terms of Listing Regulations and the Companies Act, 2013, the Board has constituted Four (4) Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

Keeping in view the requirements of the Companies Act, 2013 as well as Listing Regulations, the Board decides the terms of reference of these Committees and the assignment of members to various Committees. The recommendations, if any, of these Committees are submitted to the Board for its approval.

Audit Committee

Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with Section 177 of the Companies Act, 2013. Majority of the members of the Audit Committee are Non-Executive and Independent Directors. Dr. Kamal Gupta is the Chairman of Audit Committee. Dr. Kamal Gupta possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge. During the year under review, all the recommendations made by Audit Committee were accepted by the Board.

During the year, there were four (4) Audit Committee meetings held on 4th May, 2023, 4th August, 2023, 1st November, 2023 and 7th February, 2024. The details of attendance of members and composition of the Committee are as follows:

Name of the member	Chairman/ Member	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Chairman	4	4
Shri Priya Shankar Dasgupta	Member	4	4
Shri Shantanu Agarwal	Member	4	4
Smt. Archana Capoor	Member	4	4

Company Secretary of the Company, acts as the Secretary to the Audit Committee.

Invitees to the Audit Committee include the Chairman & Managing Director and CEO, other Directors, Chief Financial Officer, President of the Sarovar plant, Vice President of Garment plants and representative of the Statutory Auditor and Internal Auditors. The representative of Statutory Auditors and Internal Auditors regularly make presentations in the Audit Committee meetings. Auditors update the Audit Committee with the Audit findings along with their recommendations and management comments on the same and the Action Taken Report is presented in the next meeting. Auditors have attended all the Audit Committee meetings held during the year.

Committee has performed all functions mentioned in the terms of reference decided by the Board of Directors in accordance with provisions the Companies Act, 2013 and Listing Regulations.

The roles of the Audit Committee include the following:-

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory and Internal Auditors for any other services rendered by the statutory and internal auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for their approval, with particular reference to:
 - Matters required being included in the Directors' 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; and
 - Modified opinion (s) in the draft Audit Report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for their approval;
 - 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems;
 - 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;
 - Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors in 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;
 - Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 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;
 - To review the functioning of the Whistle Blower Mechanism;
 - Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate;
 - Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
 - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditor;
- Internal Audit Reports relating to internal control weaknesses;
- Review with the management the quarterly and annually financial statements before submission to the Board;
- Review of appointment, removal and terms of remuneration of the Internal Auditor (s); and

- Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable submitted to the Stock Exchanges in terms of Regulation 32(1) of the Listing Regulation 2015.
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulation 2015.

Pursuant to its terms of reference, the Audit Committee is empowered to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee; and
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant expertise, when considered necessary.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with Section 178 of the Companies Act, 2013. During the year, there were four (4) meetings held on 4th May, 2023, 4th August, 2023, 1st November, 2023 and 7th February, 2024. Details of attendance of members and composition of Committee are as under:

Name of the member	Chairman/ Member	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Chairman	4	4
Shri Shekhar Agarwal	Member	4	4
Shri Shantanu Agarwal	Member	4	4

Details of Shareholders'/Investors' Complaints received and attended by the Company during the year ended 31st March, 2024 are given below:

S. No.	Nature of complaint (s)	Pending as on 1 st April, 2023	Received during the year	Resolved during the year	Pending as on 31 st March, 2024
1.	Non-receipt of Transmission / Issue of Duplicate Shares/ Others	-	1	1	-
2.	Non-receipt of Dividend, Non-receipt of Refund Order & Non-receipt of Annual Report	-	-	-	-
3.	Dematerialization/ Rematerialization of shares	-	-	-	-
	Total	-	1	1	-

Company Secretary of the Company, acts as the Secretary to the Committee. The Committee ensures cordial investor relations, oversees the mechanism for redressal of investors' grievance(s) and specifically looks into various aspects of interest of shareholder(s). The Committee specifically looks into redressing shareholders'/ investors' complaint(s)/ grievance(s) pertaining to share transfers/ transmission, non-receipts of annual reports, non- receipt of declared dividend, issue of new/duplicate certificates and other allied complaints. The terms of reference of the Committee are as follows:

- a) Resolve the grievances of the shareholder(s) of the Company including complaint(s) related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends issue of new/duplicate certificates, general meetings, dematerialization / rematerialization etc.
- b) Review measures taken for effective exercise of voting rights by shareholders.
- c) Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent (RTA) of the Company.
- d) Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed/ unpaid dividend(s) and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year under review, the Company had received one complaint and the same was resolved to the satisfaction of the shareholder. There were no complaints pending for disposal as on 31st March, 2024. No request for dematerialization/ rematerialization of equity shares of the Company was pending for approval as on 31st March, 2024.

The Company also has a Share Transfer Committee to look after requests for transfer / transmission of equity shares, issue of duplicate share certificates etc. Share Transfer Committee presently comprises of:

- 1) Dr. Kamal Gupta
- 2) Shri Shekhar Agarwal

However, in terms of SEBI press release no 12/2019 dated 27th March, 2019, physical transfer of shares is not permitted with effect from 1st April, 2019.

Further, the SEBI has come out with circular dated 25th January, 2022, whereby it has stipulated that the processing of service request in relation to Issue of Duplicate Shares Certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of Shares Certificate, Endorsement, Sub division / Splitting of Shares Certificate, Consolidation of Shares Certificates/Folios, Transfer /Transmission and Transposition would henceforth be carried out in dematerialized form only.

Corporate Social Responsibility Committee

The Company had constituted a Corporate Social Responsibility (“CSR”) Committee in line with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. Company Secretary of the Company, acts as the Secretary to the Committee.

During the year, there were four (4) meetings held on 4th May, 2023, 4th August, 2023, 1st November, 2023 and 7th February, 2024. The details of attendance of members and composition are as under:

Name of the member	Chairman/ Member	No. of meetings held during the year	No. of meetings attended
Shri Priya Shankar Dasgupta	Chairman	4	4
Dr. Kamal Gupta	Member	4	4
Shri Shekhar Agarwal	Member	4	4
Shri Shantanu Agarwal	Member	4	4

The role of Corporate Social Responsibility Committee are as under:

- Formulate and recommend to the Board, the Corporate Social Responsibility policy and the activities to be undertaken by the Company;

- Recommend the amount of expenditure to be incurred on the activities undertaken by the Company;
- Monitor the Corporate Social Responsibility policy from time to time; and
- Carry out such other functions as are required or appropriate in discharging their duties.

The Committee is not only responsible for the philanthropy activities carried out by the Company but also to ensure that the same is properly undertaken within the agreed time frame. Further, while considering the benefit of the shareholders, the Committee also considers the social and environment responsibilities to fulfill the expectations of the society at large.

The Company has formulated the CSR policy wherein the activities mentioned under Schedule VII of Companies Act 2013 are covered. The detail of amount spent on CSR by the Company is forming part of this report. The CSR policy of the Company is available on the website of the Company under the following link. https://www.maraloverseas.com/policy/MOL_CSR_Policy.pdf.

Nomination and Remuneration Committee

The constitution of Nomination and Remuneration Committee is in accordance with the provisions as contained in Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The terms and reference of the Nomination and Remuneration Committee inter-alia include the following:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria and recommend to the Board for their appointment and removal;
- Formulate the criteria for evaluation of performance of Independent Director’s and Board of Directors;
- Formulate the criteria for determining qualification, positive attributes and independence of a Director;
- To devise a policy on Board diversity;
- To determine 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;

- Recommend to the Board a policy relating to the remuneration for the Directors, KMP, Senior Management and other employees;
- Succession planning for the Board and Senior Management of the Company;
- Specify the manner for effective evaluation of performance of Board, its Committee and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an Independent external agency and review its implementation and compliance;
- Recommendation to the Board, all remuneration, in whatever form, payable to the Senior Management;
- Carry out such other functions as are required or appropriate in discharging their duties; and
- Such other key issues/matters as may be referred by the Board or as may be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and provision of the Companies Act, 2013 and Rules thereunder.

The Committee met two times during the year under review. The meetings were held on 7th February, 2024 and 20th March, 2024. The details of attendance of members and composition of the Committee are as under:

Name of the member	Chairman/ Member	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Chairman	2	2
Shri Priya Shankar Dasgupta	Member	2	1
Smt. Archana Capoor	Member	2	2

Nomination and Remuneration Policy

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provision

of Companies Act, 2013, the Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is reviewed and approved by the Board of Directors on the commendation of the Nomination and Remuneration Committee. The policy is in consonance with the existing industry practice and forms part of Directors' Report. The policy is available on the website of the company under the following link: <https://www.maraloverseas.com/policy/Nomination%20&%20Remuneration%20Policy.pdf>.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes decisions relating salary, perquisites, commission to be paid to the Company's Executive Directors, along with retirement benefits. The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequently approved by the Shareholders in the General Meeting. Nomination and Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance, industry standards and various other factors. The Non-Executive Directors are paid sitting fees for attending the Board meetings as well as other Committee meetings as decided by the Board.

Remuneration of Executive Directors, Key Managerial Personnel and Senior Management

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management is paid on a monthly basis as approved by the Board on the recommendation of the Nomination and Remuneration Committee and the remuneration of Executive Directors is also subject to the approval of the shareholders in accordance with the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.

Sitting Fees to the Director: Directors were paid sitting fees for attending the Board and Committee meetings.

Details of remuneration of Directors for the financial year 2023-24 are given below:

(₹ in Lakh)

Name of Director	Category	Sitting Fee*	Salary	Benefits, perquisites and allowances#	Commission	Total
Shri Shekhar Agarwal [§]	Promoter- Chairman & Managing Director and CEO	-	202.73	31.92	-	234.65
Shri Ravi Jhunjhunwala	Non Executive Director	2.50	-	-	-	2.50
Shri Shantanu Agarwal**	Promoter Group - Joint Managing Director	-	92.59	14.67	-	107.26
Dr. Kamal Gupta	Independent- Non Executive Director	8.00	-	-	-	8.00
Shri Priya Shankar Dasgupta	Independent- Non Executive Director	5.00	-	-	-	5.00
Smt. Archana Capoor	Independent- Non Executive Director	6.00	-	-	-	6.00

*Includes Sitting Fees for all Committee meetings.

#Includes retirement benefits excluding leave encashment & gratuity.

[§]Shri Shekhar Agarwal, Chairman & Managing Director and CEO holds 1.82 % of Equity Shares in the Company as on 31st March, 2024.

** Shri Shantanu Agarwal, Joint Managing Director holds 1.34% of Equity Shares in the Company as on 31st March, 2024.

During the year ended 31st March, 2024, the Company did not advance any loans to any of its Directors. Further, during the year the Company did not give any Stock Option and Bonus Scheme to any Director(s).

Senior Management

In terms of Clause 5B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following are the particulars of Senior Management Personnel of the Company as on 31st March, 2024:

S. No.	Name	Designation
1	Shri Manoj Gupta	Chief Financial Officer
2	Shri Tarun Kumar Baldua	President
3	Shri Mohit Maheshwari	Sr. Vice President – Marketing
4	Shri Naveen Maheshwari	Sr. Vice President
5	Shri Sanjay Janghala	Vice President Operation
6	Shri Sandeep Singh	Company Secretary & Compliance Officer

The details of changes in the Senior Management Personnel during the financial year ended 31st March, 2024 is mentioned below:

S. No.	Name	Designation	Change
1	Shri S.N. Goyal	President	Superannuated w.e.f 30.11.2023
2	Shri Tarun Kumar Baldua	President	Appointed w.e.f 02.12.2023

S. No.	Name	Designation	Change
3	Shri Virendra Kumar Garg	Company Secretary & Compliance Officer	Resigned w.e.f 15.11.2023
4	Shri Avnish Maurya	Company Secretary & Compliance Officer	Appointed w.e.f. 07.02.2024 and Resigned w.e.f 19.03.2024
5	Shri Sandeep Singh	Company Secretary & Compliance Officer	Appointed w.e.f 20.03.2024

Independent Directors Meeting

Pursuant to the Code of Independent Directors and Regulation 25(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the meeting of the Independent Directors was held on 07th February, 2024 without the attendance of Non- Independent Directors and members of management to inter-alia:

- Review the performance of Non-Independent Director(s) and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Letter of Appointment

At the time of appointment, Independent Director is required to sign a duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment. The terms and conditions of the appointment of the Independent Director are available on the Company's website under the following link: https://www.maraloverseas.com/pdf/Letter_of_Appointment_Independent_Director.pdf

Board Evaluation Mechanism

Upon recommendation of Nomination and Remuneration Committee, Board of Directors have devised an evaluation framework in line with the applicable provisions of Companies Act, 2013 and Listing Regulations, 2015 and has laid down the process, format, attributes and criteria which includes knowledge and experience in the field of textile industry, legal, finance and CSR activities etc. for performance evaluation of the Board of the Company, its Committees and the individual Board members (including Independent Directors). Board is responsible for undertaking a formal annual evaluation of its own performance, Committees and individual Directors with a view to review their functioning and effectiveness. During the year, the Board carried out the performance evaluation of itself, Committees and each of the Executive Directors/ Non-executive Directors/Independent Directors excluding the Director being evaluated.

Performance evaluation of Independent Director(s)

Pursuant to the Code of Independent Directors and Regulation 17(10) of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as amended, the performance evaluation of Independent Directors is to be done by the entire Board of Directors Excluding the Director who is being evaluated. The criteria for the evaluation of performance are laid down in the Nomination and Remuneration policy of the Company.

The Performance evaluation criteria for Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgement during meetings, etc. The evaluation of the performance is being done on an annual basis. As on 31st March, 2024, the Company has the following Independent Directors: Dr. Kamal Gupta, Shri Priya Shankar Dasgupta and Smt. Archana Capoor. The Directors expressed their satisfaction with the outcome of the evaluation process.

Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of this Annual Report. During the financial year ended 31st March, 2024, there was no material financial or commercial transactions by the Company with its Promoters, Directors, Management or relatives, etc. that may have potential conflict with the interests of the Company at large.

General Body Meetings

The details of the location and time of the Annual General Meetings held during the preceding three years are as follows:

General Meetings:

Date of AGM	Financial year	Time of meeting	Venue/Location where held	Special Resolution passed
31 st August, 2021	2020-21	02:00 P.M.	Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”). The deemed venue of the AGM was :- Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone Madhya Pradesh – 451660	Nil
25 th August, 2022	2021-22	02:00 P.M.	Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”). The deemed venue of the AGM was :- Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone Madhya Pradesh – 451660	Nil
20 th September, 2023	2022-23	02:00 P.M.	Through Video Conferencing (“VC”) /Other Audio-Visual Means (“OAVM”). The deemed venue of the AGM was :- Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone Madhya Pradesh – 451660	Nil

Postal Ballot

During the year ended 31st March, 2024, no resolution was passed through Postal Ballot.

Disclosures:

(i) Basis of Related Party Transactions

- During the period under review, there is no materially significant related party transaction (s) with any of the related parties.
- In accordance with Regulation 23(9) of Listing Regulation, 2015, disclosure of related party transactions is made to the Stock Exchange as per stipulated time as per law from the date of publication of financial results. The same is also updated on the website of the Company.
- Related party transactions are being done on an arm's length basis at prevailing market price and in the ordinary course of business and do not have any possible conflict with the interests of the Company. Approval of Audit Committee was taken for transactions entered into with related parties by the Company and the same were placed before the Audit Committee on quarterly basis for review and noting.
- As required by Accounting Standards (Ind-AS-24), the details of related party transactions are given in note 40 to the Financial Statements.
- The policy for dealing with the Related Party Transactions as approved and amended by the Board of Directors is disclosed on the website of the Company under the following link: <https://maraloverseas.com/policy/Policy%20for%20Determining%20Material%20Subsidiary.pdf>

(ii) Non-Compliance by the Company in previous years:

No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or Board or any statutory authority relating to capital markets during the last three years.

(iii) Whistle Blower Policy / Vigil Mechanism

The Company has implemented a vigil mechanism, through which the employees, Directors and other stakeholders can report matters to the Nodal Officer, with the objective of pursuing its business in a fair and transparent manner by adopting the highest standards

of professionalism, honesty, integrity and ethical behaviour and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. The Company has adopted a framework whereby the identity of the complainant is not disclosed. During the year under review, no person was denied access to the Audit Committee.

(iv) Compliance with disclosure requirements.

The Company is fully compliant with the requirements of disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, as amended from time to time.

(v) Board Disclosures – Risk Management

The Company has a well-defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework.

(vi) Disclosures by Board members & senior management

Board members and senior management personnel make disclosures to the Board periodically regarding:

- their dealings in the Company's shares;
- all material, financial and commercial and other transaction with the Company; and
- where they have personal interest, stating that the said dealings and transactions, if any, have no potential conflict with the interests of the Company at large.

(vii) Material Subsidiary

The Company does not have any subsidiary. However, the policy of the same as approved by the Board of Directors is disclosed on the website of the Company under the following link: www.maraloverseas.com/pdf/%20Key_Management_Personnel.pdf

(viii) Discretionary Requirements

The Company has complied with all mandatory requirements prescribed by Listing Regulations, 2015 and the Company has also complied with below mentioned discretionary requirements as stated under Part E of Schedule II to Listing Regulations 2015

- Your Company's financial statements are unmodified and your Company continues to adopt best practices to ensure the requirement of unmodified opinion.
- The reports of Internal Auditors of all Units are placed directly before the Audit Committee in every quarter.

Disclosure of accounting treatment in preparation of financial statements

The Company has followed the same accounting treatment as prescribed in the relevant Indian Accounting Standards while preparing the Financial Statements.

Compliance with Corporate Governance requirements

During the year under review, the Company has complied with corporate governance requirements specified in Chapter IV, Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report. Compliance Certificate from S S Kothari Mehta & Co. LLP, Chartered Accountants, New Delhi (Firm Registration No. 000756N/N500441), Statutory Auditor of the Company regarding compliance of the condition of Corporate Governance forms part of this Annual Report.

Initiatives on Prevention of Insider Trading Practices

The Company has a policy of prohibiting Insider Trading in compliance with applicable regulations of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The objective of this policy is to prevent purchase and sale of shares of the Company by an insider on the basis of Unpublished Price Sensitive Information. Necessary procedures have been laid down for Directors, officers and designated employees, for trading in the Shares of the Company. To deal in Shares, beyond specified limit, permission of compliance officer is required. The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading Window closure, are intimated to all the Directors, designated employees and insiders, in advance, whenever required. During the year under review, the Company is maintaining the structural digital data base in line with the

requirement of SEBI under PIT Regulation and obtained the compliance certificates from the Practicing Company Secretaries.

Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. Commitment to ethical professional conduct is a must for every employee, including Board members and Senior Management personnel of the Company. The Company is committed to conduct its business in accordance with pertinent laws, rules and regulations and with the highest standards of business ethics. A copy of Code of Conduct, as amended from time to time, has been placed on the Company's website: www.maraloverseas.com. All members of the Board and Senior Management Personnel have confirmed compliance with the code of conduct for the year under review and a declaration to that effect, signed by CEO and CFO forms part of this Annual Report.

CEO and CFO Certification

In terms of Listing Regulations, 2015 as amended, the certification of CEO and CFO on the financial statements for the year forms part of this Annual Report.

Means of Communication

The Company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies. The Company interacts with their shareholders through various means of communication i.e. print media, Company website, Annual Report etc.

Quarterly/ Half yearly / Annual Results

The quarterly, half yearly and annual financial results are sent immediately to the Stock Exchanges after approval by the Board of Directors. The same are also displayed on Company's website at www.maraloverseas.com. The Company publishes its results, in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in at least one prominent national and one regional newspaper. The Company has a designated email-id maral.investor@lnjbhilwara.com.

Re-appointment of Non-Independent Directors

Two Non-Independent Directors of your Company are liable to retire by rotation. Of these Directors, at least one-

third retires every year and if eligible, propose themselves for re-appointment. This year, Shri Ravi Jhunjunwala is retiring by rotation and being eligible, offers himself for re-appointment in the 35th Annual General Meeting.

Shri Ravi Jhunjunwala

Shri Ravi Jhunjunwala, age 68 years, is a Non-Executive Director of the Company. Shri Ravi Jhunjunwala holds degree in B.Com (Hons.) and Masters in Business

Administration (Corp. Finance). He is also the Chairman, Managing Director and CEO of HEG Limited and Malana Power Company Limited. He is Director on Board of various Companies, mostly listed entities. He is also Independent Director on Board of two listed entities outside the group. Shri Ravi Jhunjunwala is an industrialist with diversified business experience. His leadership has enabled the group to establish a presence in more the 75 countries across five continents today.

Details of Directorships held in other companies:

Directors Name	Name of the Company in which Directorship held *	Committee Chairmanship	Committee Membership
Shri Ravi Jhunjunwala	AD Hydro Powers Limited	Audit Committee	-
	Bhilwara Energy Limited	Audit Committee	-
	BSL Limited	-	-
	HEG Limited	-	Stakeholders Relationship Committee
	India Glycols Limited	-	Audit Committee
	JK Lakshmi Cement Limited	-	Audit Committee
	Malana Power Company Limited	-	-
	RSWM Limited	-	-
	TACC Limited	-	-

*Excludes Directorships held in Private Limited Companies, Foreign Companies, Membership of Management Committee of various chambers/Bodies/ Section 8 Companies.

SEBI Complaints Redressal System (SCORES)

The investor complaints are processed in a centralized web-based complaints redress system.

Uploading on BSE and NSE

The quarterly, half yearly and annual financial results, compliances and all other corporate communications and compliances to the Stock Exchanges are filed electronically on BSE (BSE Limited) and NSE (National Stock Exchange Limited).

Disclosure on Website

The Company's website www.maraloverseas.com has separate section "Investor Relations" where the information for the shareholders is available. Annual Report, Financial Result, Shareholding Pattern, Corporate Governance Report etc. are also available on the website of the Company in user

friendly manner. The Company ensures that the relevant provision of Regulation 46 of the Listing Regulations, 2015, as amended, are complied with.

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, M/s Pranav Kumar & Associates, Company Secretary in practice had confirmed 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 the SEBI/Ministry of Corporate Affairs or any such Statutory Authority. A certificate of non-disqualification of Directors is forms part of this Annual Report.

General Shareholders' Information

a. Annual General Meeting

Date	: 27 th August, 2024
Day	: Tuesday
Time	: 2:00 P.M
Mode	: Video Conferencing (VC) or Other Audio Visual Mean (OAVM)
Venue	: The venue of meeting shall be deemed to be Registered office of the Company.

b. Financial Calendar/Results

Financial year	: 1 st April, 2023 to 31 st March, 2024
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For the year ended 31st March, 2024, results were announced on:

4 th August, 2023	: First quarter
1 st November, 2023	: Second quarter and Half year
7 th February, 2024	: Third quarter and Nine months
9 th May, 2024	: Fourth quarter and Annual.

For the year ending 31st March, 2024, quarterly/annual results have been announced within 45 days from the end of each quarter.

c. **Dates of Book Closure:** 21st August, 2024 to 27th August, 2024. (Both days inclusive).

d. **Equity Dividend Payment** : N.A.

e. Listing of Equity Shares on Stock Exchange:

- BSE Limited (BSE)- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
- National Stock Exchange of India Limited (NSE)- Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai - 400 051

Listing fee as prescribed has been paid to BSE Limited and the National Stock Exchange of India Limited upto 31st March, 2025.

f. Stock Code:

BSE Limited (BSE) : 521018

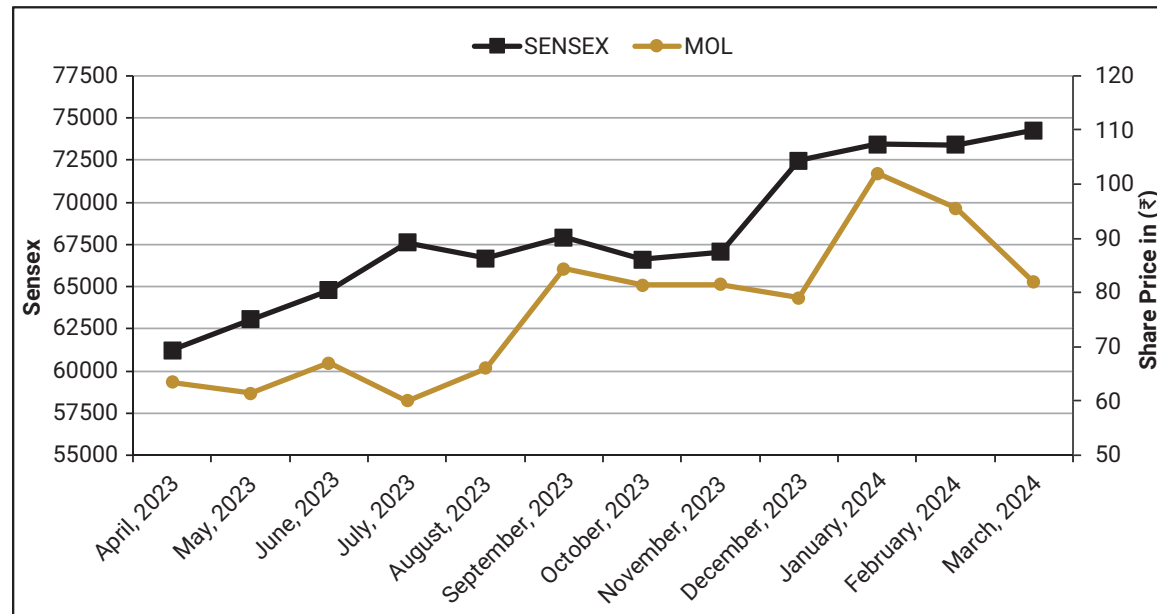
National Stock Exchange of India Ltd. (NSE) : MARALOVER

g. Stock Market Data: Share Price in ₹ of Maral Overseas Limited at BSE /NSE in financial year 2023-24

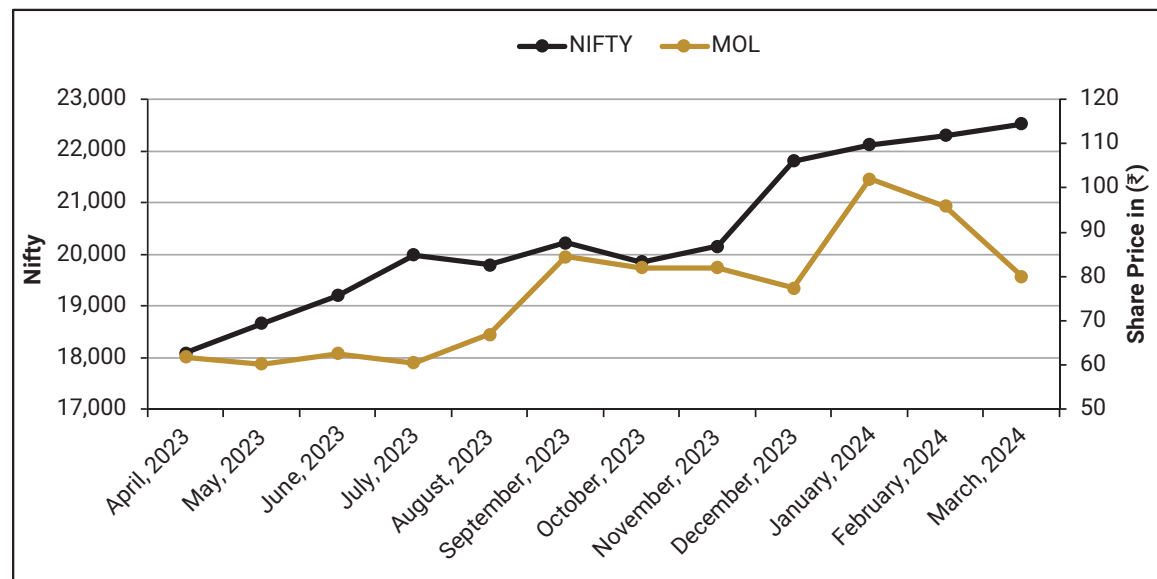
Months	BSE Ltd.			National Stock Exchange of India Limited		
	High	Low	Volume	High	Low	Volume
April-2023	63.45	48.00	59386	61.80	47.70	425888
May-2023	61.40	50.50	54405	60.25	51.10	182065
June-2023	67.00	44.20	105951	62.60	51.65	550413
July-2023	60.00	52.80	302928	60.50	52.95	795308
August-2023	66.00	44.80	233128	66.90	50.30	1769329
September-2023	84.34	58.20	717083	84.45	59.90	5071737
October-2023	81.43	61.40	113704	82.00	63.00	800546
November-2023	81.50	65.73	183652	81.95	64.10	2011584
December-2023	79.00	68.15	75360	77.35	68.55	766860
January-2024	102.00	68.93	616185	102.00	68.90	6567604
February-2024	95.51	74.15	337754	95.90	74.20	2554575
March-2024	81.90	61.10	138050	80.00	61.00	853728

Performance in comparison with BSE Sensex

- (i) Comparative Chart of Company's share price movement vis-a-vis the movement of Sensex during the financial year 2023-24



- (ii) Comparative Chart of Company's share price movement vis-a-vis the movement of Nifty during the financial year 2023-24



h. Registrar and Transfer Agents

MCS Share Transfer Agent Limited is the Registrar & Share Transfer Agent (**RTA**) of the Company. The Shareholders may contact MCS Share Transfer Agent Limited for matters related to Share Transfers etc. at the following address:

MCS Share Transfer Agent Limited (Unit – Maral Overseas Limited)

F-65, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110 020,
Phone No. (s) : 011-41406149-52, Fax No : 011-41709881,
E- Mail : admin@mcsregistrars.com; helpdeskdelhi@mcsregistrars.com

i. Share Transfer System

As per provisions of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the shares of the Company can only be transferred in dematerialized mode w.e.f. 1st April, 2019. Further, as per the SEBI Circular dated 25th January, 2022, the transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.

Matters related to issuance of duplicate shares/letter of confirmation, share transmission etc. were attended by the delegated authorities as and when required. As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has obtained yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities.

Pursuant to Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate at the end of financial year submitted to the Stock Exchanges duly signed by the compliance officer of the company and the authorized representative of the share transfer agent certifying that all activities in relation to both physical and electronic share transfer facility are maintained with the Registrar and Share Transfer Agent of the Company.

On mandatory furnishing of PAN, KYC, nomination, bank details etc. by shareholders, the SEBI issued various circulars read with master circular dated 17th May, 2023 and the latest being master circular dated 7th May, 2024 prescribing common & simplified norms for processing service requests from the shareholders/investors. Accordingly, the Company has from time to time sent communication to concerned shareholders requesting them to update their PAN, KYC, nomination, bank details and contact details.

The Company has sent latest communication by registered post to the concerned shareholders on 28th March, 2024 for updating the aforementioned details. The said communication is available along with SEBI circulars on website of the company www.maraloverseas.com.

Therefore, Shareholders who have yet not updated the above said information are requested to download the necessary Forms from the website of the Company i.e. www.maraloverseas.com under the path Investor Relations > Disclosure under Regulation 46 of Listing Regulation, 2015 > Intimation to Stock Exchange as per Reg. 30 of Listing Regulation > Procedure for Updation of PAN/KYC/Nomination by Physical Shareholders and submit the same duly completed in all respect to Company's RTA - MCS Share Transfer Agent Limited, Unit: Maral Overseas Limited, F-65, 1st Floor, Okhla Industrial Area Phase-I, New Delhi-110 020 Tel.: 011-41406149-52; e-mail: helpdeskdelhi@mcsregistrars.com

j. Distribution of Shareholding as on 31st March, 2024

No. of Equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	16751	89.37	2086677	5.03
501-1000	934	4.98	769199	1.85
1001-10000	973	5.19	2730297	6.58
10001 and above	86	0.46	35921827	86.54
Total	18744	100.00	4,15,08,000	100.00

k. Shareholding Pattern as on 31st March, 2024

Category		No. of Shares held	% of Shareholding
A.	Promoters & Promoter Group	3,11,09,229	74.95
B.	Public Shareholding		
	I Banks / Financial Institutions	300	0.00
	II Mutual Funds, Insurance Companies & UTI	1,000	0.00
	III Foreign Portfolio Investors	42,718	0.10
	IV NRIs	1,21,019	0.29
	V Bodies Corporate	18,85,627	4.54
	VI Foreign Bodies Corporate	200	0.00
	VII Individuals / HUF	83,33,412	20.08
	VIII Clearing Member	14,495	0.04
	Total	4,15,08,000	100.00

l. Dematerialization of Shares and Liquidity

Equity Shares as on 31st March, 2024

S. No.	Description	No. of Share holders	No. of Shares	% of Equity
1.	Central Depository Services India Limited (CDSL)	7,870	2,45,26,922	59.09
2.	National Securities Depository Limited (NSDL)	6,209	1,63,95,020	39.50
3.	Physical	4,665	5,86,058	1.41
	Total	18,744	4,15,08,000	100.00

The ISIN number for Equity Shares of the Company in NSDL and CDSL is INE 882A01013. 4,09,21,942 equity shares were dematerialized till 31st March, 2024 which is 98.59 % of the total paid-up equity share capital of the Company. Trading in Shares of the Company is permitted only in dematerialized forms.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year under review.

n. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

➤ **Foreign Exchange Risk and Hedging Activities**

The Company regulates its activities as laid down under Forex Hedging Policy. The Company periodically reviews the forex exposure along with the hedging positions. The Company had been continuing with its existing policy of booking Vanilla Forward Cover to the extent of orders in hand to hedge its exposure. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. Also refer Management Discussion and Analysis for the same.

➤ **Commodity Price Risk and Commodity Hedging Activities**

The Company does not have any exposure hedged through commodity derivatives except foreign currency hedging. In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:-

A. Total exposure of the listed entity to commodities in ₹ - **NIL**

B. Exposure of the listed entity to various commodities

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NIL							

o. Plant/Unit Locations

- 1) Maral Sarovar & P.O. Khalbujurg, Tehsil Kasrawad, Dist. Khargone-451660 (M.P.)
- 2) A-11, Hosiery Complex, Phase-II (Extension), Noida-201305 (U.P.)
- 3) D-347, Sector-63, Noida-201307 (U.P.)
- 4) 12/4, Main Mathura Road, Faridabad-121003 (Haryana) (w.e.f. 1st May, 2024, Operations of this Unit was consolidated with the operations of A-37, Sector 64, Noida-201301 (U.P.)).
- 5) A-37, Sector 64, Noida-201301 (U.P.)

p. Address for Correspondence

Investor correspondence should be addressed to:

1. Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited,
(Unit: Maral Overseas Limited)
F-65, 1st Floor, Okhla Industrial Area, Phase I,
New Delhi – 110020
Phone No (s): 011-41406149-52,
Fax No: 011-41709881
E-mail: helpdeskdelhi@mcsregistrars.com /
admin@mcsregistrars.com

2. Company Secretary

Maral Overseas Limited,
Bhilwara Towers, A-12, Sector 1,
Noida- 201301(U.P.)
Phone No: 0120-4390300,
Fax No. : 0120-4277841
E-mail: maral.investor@lnjbhilwara.com

3. Registered Office

Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Dist. Khargone-451660,
Madhya Pradesh.
Phone No: 91-7285-265401-265405
E-mail: maral.investor@lnjbhilwara.com

q. Credit Rating

During the year under review, CARE Ratings Limited (Rating Agency) has reviewed and revised the Long Term and Short-Term Bank Facility of the Company as follows:

S. No.	Facilities	Revised Ratings	Action Rating
1	Long - Term Bank Facilities	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Revised from CARE BBB; Negative (Triple B; Outlook: Negative)
2	Short - Term Bank Facilities	CARE A3 (A Three)	Reaffirmed

r. Other information to the Shareholders.

i. Green Initiative

As a responsible corporate citizen, the Company welcomes Green Initiative, by sending communications/documents including Notices for General Meeting and Annual Reports from time to time through in electronic mode to those members who have provided their e-mail addresses to the Company or their Depository Participants (DP).

Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs and in case of physical form, with the Company.

ii. Internal Complaints Committee (ICC)

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee that ensure protection of women employees and a work environment free of all forms of sexual

harassment- verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute, and is headed by a women employee, the Committee comprises of more than half representation of women and it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. The Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabulated hereunder:

No. of Complaints Filed during the year	No. of Complaints Disposed off during the year	No. of Complaints Pending as at the end of the year
Nil		

iii. Information pursuant to Regulation 34(3) read with part F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company transferred 5100 Equity Shares in respect of 43 shareholders in the name of “Maral Overseas Limited – Unclaimed Suspense Account” on 7th August, 2012 and these shares were subsequently dematerialized. During the financial year, 2014-15 and 2015-16, two shareholders comprising 200 (100 each) shares had approached for claiming their shares which were duly transferred in the name of the respective shareholders. As on 31st March, 2024, 4900 shares of 41 shareholders were still lying in the Unclaimed Suspense Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

iv. Investors Education and Protection Fund (IEPF)

Pursuant to Provisions of Section 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are

liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, pursuant to Provisions of Section 124 (6) of the Companies Act, 2013 read with the IEPF rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also liable to be transferred to the demat account of the IEPF Authority.

Accordingly, the shareholders are requested to immediately claim their unpaid / unclaimed dividends, if any, failing which the said dividend & shares will be transferred to the IEPF. The details of unpaid/unclaimed dividend are available on the website of the Company i.e. www.maraloverseas.com

- v. During the Financial Year 2023-24, the Company did not raise any funds through preferential allotment or qualified institutions placement.
- vi. The total fees for all services paid by the Company on a consolidated basis to the Statutory Auditor are detailed in the notes to the Financial Statements.
- vii. There were no recommendations of any Committee requiring mandatory approval of the Board, which were not accepted by the Board.
- viii. Company has not obtained any public funding in the last three years.
- ix. The Company has no Outstanding Warrant / Convertible Instruments.
- x. During the Year under review the Company has not given any loans and advances to any firms/ companies wherein the Directors of the Company are interested.

For and on behalf of the Board
Maral Overseas Limited

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Place: Noida (U.P.)
Date: 9th May, 2024

Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, Shekhar Agarwal, Chairman & Managing Director and Chief Executive Officer and Manoj Gupta, Chief Financial Officer of Maral Overseas Limited, hereby certify to the Board that:

- a) We have reviewed financial and cash flow statements for the year ended 31st March, 2024 and that to the best of our knowledge and belief:
 - 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by Maral Overseas Limited during the year which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting in Maral Overseas Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system.
- e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).
- f) We further declare that all Board members and designated senior management have affirmed compliance with the Code of Conduct for the current year.

Place: Noida (U.P.)
Date: 9th May, 2024

Sd/-
Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Sd/-
Manoj Gupta
Chief Financial Officer
FCA-500020

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
MARAL OVERSEAS LIMITED
Maral Sarovar V & P.O., Khalbujurg Tehsil,
Kasrawad, Khargone- 451660
Madhya Pradesh, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Maral Overseas Limited having CIN: L17124MP1989PLC008255 and having registered office at Maral Sarovar, V & P.O. Khalbujurg, Tehsil Kasrawad, Khargone, Madhya Pradesh-451660, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the 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) as considered necessary and explanations furnished to us by the Company, its officers and authorised representatives, 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, 2024 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.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Priya Shankar Dasgupta	00012552	28/09/2004
2.	Dr. Kamal Gupta	00038490	13/07/1991
3.	Mr. Ravi Jhunjunwala	00060972	27/11/1996
4.	Mr. Shekhar Agarwal	00066113	27/01/1989
5.	Mrs. Archana Capoor	01204170	06/11/2015
6.	Mr. Shantanu Agarwal	02314304	22/04/2014

Ensuring the eligibility of 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 **Pranav Kumar & Associates**,
Company Secretaries
Firm Peer Review No. 1035/2020

(**Arpita Saxena**)
Partner
ACS- 23822: COP-11962
UDIN- A023822F000339962

Date: 9th May, 2024
Place: Ghaziabad

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITONS OF CORPORATE GOVERNANCE

To
The Members of
Maral Overseas Limited

- We SS Kothari Mehta & Co. LLP, Chartered Accountants, the Statutory Auditor of Maral Overseas Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2024, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Managements' Responsibility

- The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires

that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2024.
- We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

- The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's ICAI Regd No.:000756N/N500441

Date: 9th May, 2024
Place: Delhi

Neeraj Bansal
Partner
(Membership No: 095960)
UDIN: 24095960BKEZXO7267

INDEPENDENT AUDITOR'S REPORT

To the Members of Maral Overseas Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Maral Overseas Limited** ('the Company'), which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income/ (Loss)), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2024, and its loss, total comprehensive loss, 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are

independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the financial statement.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in "**Annexure – A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- The Balance Sheet, the Statement of Profit and Loss including other comprehensive income /(loss), Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
- On the basis of the written representations received from the Directors as on 31 March, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act;
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure – B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- 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:

As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of Section 197 read with Schedule V to the Act.

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

- The Company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note 37 to the Financial Statements;
- The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 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;

- 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;
- 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.

- The company has not declared or paid any dividend during the year, therefore reporting under this clause is not applicable.
- Based on our examination, which includes test checks, the company has used two accounting softwares 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 softwares. Further, at database level log was enabled throughout the year and retention of these logs were for 3 days only. During the course of our audit, we did not come across any instance of the audit trail feature being tempered.

For **S S KOTHARI MEHTA & CO. LLP**
Chartered Accountants
Firm Registration No. 000756N/N500441

Place: Delhi
Date: 09th May 2024
UDIN: 24095960BKEZXN6309

Neeraj Bansal
Partner
Membership No. 095960

"ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARAL OVERSEAS LIMITED

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirement's "section

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has physically verified these Property, Plant and Equipment as per its program of physical verification that covers every item of Property, Plant and Equipment over a period of two years. According to information and explanation given to us, no material discrepancies were noticed on such verification;
- (c) According to information and explanation given to us and on the basis of our examination of the records of the company, title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company. However, the title document for properties which are pledged as security with IFCL Limited for securing the facilities have been verified based on the annual possession certificate received from IFCL.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) As per information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the

management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in aggregate for each class of inventory.

- (b) The company has been sanctioned working capital limits in excess of 5 Crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited Liability Partnerships or any other parties.
- (iv) According to the information and explanation given to us and based on our examination, the Company has complied with the provisions of section 185 and 186 of The Companies Act, 2013 in respect of loans, investments, guarantees, and security made;
- (v) According to the information and explanation given to us and based on our examination, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Further, we have not come across any such deposits nor the management has reported any such deposits, therefore the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder is not applicable.
- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub-section (1) of section 148 of Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records are being maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise, Value added tax, cess and other material statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) The particulars of statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute are as under:

Name of the Statute	Nature of Dues	Related Year	*Amount ₹ In Lakh	Forum where the dispute is pending
Income Tax Act	Disallowance of deduction u/s 10B, 35D & 80HHC u/s 115JB	AY 2002-03	45.01	CIT (Appeals) & Dy CIT (For rectification)
		AY 2003-04	27.64	CIT (Appeals)
	Penalty u/s 271 (1)(c) @ 100%	AY 2002-2003, AY 2003-2004, 2004-2005	7.23	ITAT
Custom Act	Duty on Coal Import	FY 2012	5.56	Comm (Appeals)
	Duty on Coal Import	FY 2012	28.48	CESTAT
	Non/Part Realization of Exports Proceeds for Draw Back	FY 2014 to 2019	386.36	Comm. of Customs, Mumbai
State Sales Tax Act	Entry Tax	FY 2007-08	53.61	MP CT Appellate Board, Bhopal
	Entry Tax	FY 2008-09	9.34	MP CT Appellate Board, Bhopal
	Entry Tax	FY 2016-2017	10.18	Asst. Comm. Sales Tax Gautam Budh Nagar

- This includes interest & penalty.
- Based on information and explanation given to us, GST Show Cause Notices amounting to ₹322.68 Lakhs disclosed in contingent liability not considered above on account of not deposited for any dispute.

- (viii) According to the information and explanation given to us and based on our examination, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanation given to us and based on our examination, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanation given to us and based on our examination, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on our examination, the
- term loans were applied for the purpose for which loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- (e) The company has no subsidiaries, associate or joint venture and therefore reporting under this sub clause (e) and (f) of Clause (ix) are not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and therefore reporting under this clause is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly

	or optionally) and therefore reporting under this clause is not applicable.			period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
(xi) (a) According to the information and explanations given to us and based on our examination, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year; (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report. (c) According to the information and explanation given to us and based on our examination, there is no whistle-blower complaints received during the year by the company.	45-IA of the Reserve Bank of India Act, 1934 therefore, reporting under clause 3(xvi)(a) of the Order is not applicable. (b) As per the information and explanation given to us and based on our examination, in continuation of sub clause (a) of above clause (xvi) as there is no requirement to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company has not conducted any Non- Banking Financial or Housing Finance activities therefore, reporting under clause 3(xvi)(b) of the Order is not applicable. (c) As per the information and explanation given to us and based on our examination, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, therefore reporting under clause 3 (xvi) (c) of the order is not applicable.		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) According to the information and explanation given to us, based on our examination, there are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act within a	(b) According the information and explanation given to us, based on our examination, in respect of ongoing projects, the company has transferred an unspent Corporate Social Responsibility (CSR) amount, to a scheduled bank in the name of unspent corporate social responsibility account within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.
(xii) The Company is not a Nidhi Company, therefore reporting under this clause is not applicable.				
(xiii) According to the information and explanation given to us and based on our examination, transactions with the related parties are in compliance with section 177 & 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards;	(d) As per the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and therefore reporting under clause 3(xvi)(d) of the Order is not applicable.			
(xiv) (a) According to the information and explanation given to us and based on our examination, in our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business. (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year.	(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. (xviii) There has been no resignation of the statutory auditors of the Company during the year, therefore reporting under clause (xviii) is not applicable. (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability		Place: Noida Date: 09 th May 2024 UDIN: 24095960BKEZXN6309	For S S KOTHARI MEHTA & CO. LLP Chartered Accountants Firm Registration No. 000756N/ N500441 Neeraj Bansal Partner Membership No. 095960
(xv) According to the information and explanation given to us and based on our examination, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, therefore provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.				
(xvi) (a) As per the information and explanation given to us and based on our examination, the Company is not required to be registered under section				

“ANNEXURE – B” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF MARAL OVERSEAS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls over financial reporting of **Maral Overseas Limited** (“the Company”) as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s 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”) issued by Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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
- 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2024, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For **S S KOTHARI MEHTA & CO. LLP**
Chartered Accountants
Firm Registration No. 000756N/ N500441

Place: Noida
Date: 09th May 2024
UDIN: 24095960BKEZXN6309

Neeraj Bansal
Partner

Membership No. 095960

Balance Sheet as at 31st March, 2024

(₹ in Lakh)

Particulars	Notes	As at 31 st March 2024	As at 31 st March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(i)	29,639.81	16,003.89
(b) Capital work - in - progress	3(ii)	921.27	4,101.30
(c) Other intangible assets	4	88.90	156.82
(d) Right of use Assets	3(iii)	4,846.06	4,141.71
(e) Biological Assets other than bearer plants	5	6.94	7.56
(f) Financial assets			
(i) Loans	7	44.76	43.68
(ii) Other financial assets	8	3,096.28	560.46
(g) Other non-current assets	9	961.46	1,020.13
Total non-current assets		39,605.48	26,035.55
Current assets			
(a) Inventories	10	16,398.02	17,950.10
(b) Financial assets			
(i) Investments	11	114.21	79.39
(ii) Trade receivables	12	12,096.64	9,911.61
(iii) Cash and cash equivalents	13	58.37	288.49
(iv) Bank Balances other than (iii) above	14	440.25	425.91
(v) Loans	7	99.82	89.62
(vi) Other financial assets	8	1,844.79	704.20
(c) Current tax assets (net)	15	226.79	163.61
(d) Other current assets	9	4,886.17	7,617.36
Total current assets		36,165.06	37,230.29
Total Assets		75,770.54	63,265.84
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	4,150.80	4,150.80
(b) Other equity	17	9,003.11	9,947.75
Total Equity		13,153.91	14,098.55
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	15,514.69	9,028.04
(ii) Lease liabilities	19(i)	4,733.99	3,686.64
(iii) Other financial liabilities	19(ii)	19.97	22.35
(b) Provisions	20	454.05	399.18
(c) Deferred tax liabilities (net)	6	425.95	287.38
(d) Deferred government grant	22	4,515.24	1,085.36
Total non-current liabilities		25,663.89	14,508.95
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	26,909.67	23,885.57
(ii) Lease liabilities	19(i)	447.42	555.45
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	23	621.53	1,386.15
- total outstanding dues of creditors other than micro enterprises and small enterprises	23	2,999.52	3,812.33
(iv) Other financial liabilities	19(ii)	4,128.28	3,051.78
(b) Other current liabilities	21	1,656.13	1,826.89
(c) Provisions	20	190.19	140.17
Total current liabilities		36,952.74	34,658.34
Total liabilities		62,616.63	49,167.29
Total Equity and Liabilities		75,770.54	63,265.84
See accompanying notes to the financial statements	1-47		

As per our report of even date attached

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No.000756N/N500441

Neeraj Bansal
Partner
Membership No.095960
UDIN:24095960BKEZXN6309

Place: Noida (U.P.)
Date: 9th May, 2024

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Manoj Gupta
Chief Financial Officer
FCA- 500020

Shantanu Agarwal
Joint Managing Director
DIN: 02314304

Sandeep Singh
Company Secretary
FCS- 9877

Statement of Profit and Loss for the year ended 31st March 2024

(₹ in Lakh except per share data)

Particulars	Notes	Year Ended 31 st March 2024	Year Ended 31 st March 2023
1. Revenue from operations	25	96,005.61	1,02,585.06
2. Other income	26	2,292.47	1,527.04
3. Total Income (1+2)		98,298.08	1,04,112.10
4. Expenses			
a. Cost of materials consumed	27(i)	60,137.26	64,055.91
b. Purchases of stock-in-trade	27(ii)	36.71	839.12
c. Changes in inventories of finished goods and work-in-progress	28	651.31	3,983.24
d. Employee benefit expenses	29	14,710.12	14,635.22
e. Finance cost	30	3,394.88	2,309.83
f. Depreciation and amortisation expenses	31	3,426.39	2,996.46
g. Other expenses	32	16,787.95	17,127.93
Total Expenses		99,144.62	1,05,947.71
5. Profit/(Loss) before tax (3-4)		(846.54)	(1,835.61)
6. Tax expense			
a. Current tax	33	-	-
b. Deferred tax	33	129.81	(169.02)
c. Taxes for earlier years	33	-	(74.02)
Total tax expense		129.81	(243.04)
7. Profit/(Loss) for the year (5-6)		(976.35)	(1,592.57)
8. Other comprehensive income/(Loss)			
(i) Items that will not be reclassified to statement of profit or loss			
- Remeasurement of post-employment benefit plans	39	112.15	5.94
(ii) Income tax relating to items that will not be reclassified to statement of profit or loss	33	(26.80)	(1.49)
(i) Items that will be reclassified to statement of profit or loss			
- Fair Value Gain/(Loss) on Cash flow hedges	41	(71.68)	(58.10)
(ii) Income tax relating to items that will be reclassified to statement of profit or loss	33	18.04	14.62
Total other comprehensive income/(Loss)		31.71	(39.03)
9. Total comprehensive income for the year (7+8)		(944.64)	(1,631.60)
Earnings per equity share (Face value ₹ 10 per share)	34		
- Basic (₹)		(2.35)	(3.84)
- Diluted (₹)		(2.35)	(3.84)
See accompanying notes to the financial statements	1-47		

As per our report of even date attached

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No.000756N/N500441

Neeraj Bansal
Partner
Membership No.095960
UDIN:24095960BKEZXN6309

Place: Noida (U.P.)
Date: 9th May, 2024

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Manoj Gupta
Chief Financial Officer
FCA- 500020

Shantanu Agarwal
Joint Managing Director
DIN: 02314304

Sandeep Singh
Company Secretary
FCS- 9877

Statement of Cash Flow for the year ended 31st March 2024

(₹ in Lakh)		
Particulars	Year Ended 31 st March, 2024	Year Ended 31 st March, 2023
A. Cash flow from Operating Activities	-	Audited in F.S.
Profit/(Loss) for the year before tax	(846.54)	(1,835.61)
Adjustments for non operating and non cash transactions:		
Finance costs	3,286.60	2,193.01
Depreciation and amortisation expense	3,426.39	2,997.06
Unrealised exchange Loss/(Gain)	(475.07)	(291.72)
Interest income	(194.00)	(199.74)
Impairment loss recognised/(reversed) under ECL model	(595.90)	6.53
Provision/Liability no longer required written back	(304.67)	(579.77)
Loss/(Profit) on sale/discard of property, plant & equipment	(15.31)	(38.36)
Dividend Income	(1.72)	(1.48)
Fair value of investment through profit & loss	(34.82)	(4.51)
Operating Profit/(Loss) before working capital change	4,244.96	2,245.41
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1,114.06)	1,302.19
Other financial assets	(3,761.13)	341.47
Other assets	2,789.86	(928.66)
Inventories	1,552.08	2,154.17
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1,272.76)	(5,336.03)
Other current liabilities	(170.76)	182.55
Other financial liabilities	262.94	2,077.34
Provisions/other items	217.04	48.54
Deferred government grant	3,429.88	(254.23)
Cash generated/(used in) from operations before tax	6,178.05	1,832.75
Income tax paid	(63.18)	(272.24)
Net cash generated by/(used in) operating activities (A)	6,114.87	1,560.51
B. Cash flow from Investing Activities		
Capital expenditure on capital assets, including capital advances	(12,469.85)	(9,282.31)
Proceeds from sale/disposal of capital assets	90.75	125.06
(Increase)/Decrease in fixed deposit under lien	(14.34)	1.20
Interest received	195.81	192.97
Dividend received	1.72	1.48
Net cash generated by/(used in) investing activities (B)	(12,195.91)	(8,961.60)

Statement of Cash Flow for the year ended 31st March 2024 (contd.)

(₹ in Lakh)		
Particulars	Year Ended 31 st March, 2024	Year Ended 31 st March, 2023
C. Cash flow from Financing Activities		
Proceeds from Term Loan	9,028.35	4,768.49
Repayment of Term loan	(2,346.11)	(1,968.21)
Proceeds from Unsecured Loan- Related party	1,000.00	-
Increase/(Decrease) in Working Capital Loan	1,625.40	5,806.55
Increase/(Decrease) in Bill discounting facility for MSME vendors	203.11	2,601.75
Interest paid	(2,747.00)	(1,875.30)
Payment of Lease liabilities	(415.27)	(594.72)
Payment of Interest on Lease liabilities	(497.56)	(321.90)
Dividend paid	-	(830.16)
Net cash generated by/(used in) financing activities (C)	5,850.92	7,586.50
Net Increase/(decrease) in Cash and cash equivalents (A+B+C)	(230.12)	185.42
Cash and cash equivalents at the beginning of the year	288.49	103.07
Closing Balance of Cash and cash equivalents	58.37	288.49
Balances with banks		
In Current accounts	45.19	96.82
Cheques on hand	0.13	180.61
Cash in hand	13.05	11.06
Total	58.37	288.49

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on cash flow statements.
- Figures in bracket indicate cash outflow/Loss.
- Refer Note No 30 Financial cost, 42 Reconciliation & 44 Recompense Expenses.

See accompanying notes to the financial statements **1-47**

As per our report of even date attached

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No.000756N/N500441

Neeraj Bansal
Partner
Membership No.095960
UDIN:24095960BKEZXN6309

Place: Noida (U.P.)
Date: 9th May, 2024

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Manoj Gupta
Chief Financial Officer
FCA- 500020

Shantanu Agarwal
Joint Managing Director
DIN: 02314304

Sandeep Singh
Company Secretary
FCS- 9877

Statement of Changes in Equity for the year ended 31st March 2024

a. Equity Share Capital (₹ in Lakh)

Balance as at 1 st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April 2023	Changes in Equity Share Capital during the year	Balance as at 31 st March 2024
4,150.80	-	4,150.80		4,150.80

Balance as at 1 st April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April 2022	Changes in Equity Share Capital during the year	Balance as at 31 st March 2023
4,150.80	-	4,150.80		4,150.80

Refer Note 16

b. Other equity (₹ in Lakh)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Retained earnings	General reserve	Securities premium	Preference share capital redemption reserve	Capital reserve	Effective portion of Cash Flow hedges	Remeas-urement of post-employ-ment benefit plans	
Balance as at 1st April 2023	2,150.39	10.16	2,590.07	5,085.40	113.47	27.69	(29.43)	9,947.75
Profit for the year	(976.35)							(976.35)
Other comprehensive Income/(Loss)	-					(53.64)	85.35	31.71
Total Comprehensive Income for the year	(976.35)	-	-	-	-	(53.64)	85.35	(944.64)
Dividend Distribution	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	1,174.04	10.16	2,590.07	5,085.40	113.47	(25.95)	55.92	9,003.11

(₹ in Lakh)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Retained earnings	General reserve	Securities premium	Preference share capital redemption reserve	Capital reserve	Effective portion of Cash Flow hedges	Remeas-urement of post-employ-ment benefit plans	
Balance as at 1st April 2022	4,573.12	10.16	2,590.07	5,085.40	113.47	71.17	(33.88)	12,409.51
Profit for the year	(1,592.57)							(1,592.57)
Other comprehensive Income/(Loss)	-	-	-	-	-	(43.48)	4.45	(39.03)
Total Comprehensive Income for the year	(1,592.57)	-	-	-	-	(43.48)	4.45	(1,631.60)
Dividend Distribution	(830.16)	-						(830.16)
Balance as at 31st March 2023	2,150.39	10.16	2,590.07	5,085.40	113.47	27.69	(29.43)	9,947.75

Refer Note 17 & 44

See accompanying notes to the financial statements

1-47

Statement of Changes in Equity for the year ended 31st March 2024

Notes: Nature and Purpose of Reserves

Retained Earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

General Reserve

This represents appropriation of profit after tax by the company.

Securities Premium Reserve

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of cumulative Preference Shares.

Capital Reserve

Capital reserve arises from erstwhile amalgamation of Asian Knitwear's Limited with the Company.

Cash flow Hedge Reserve

This reserve represents the cumulative effective portion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit & loss or included in the carrying amount of the non-financial asset in accordance with the company's accounting policy.

As per our report of even date attached

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No.000756N/N500441

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Neeraj Bansal
Partner
Membership No.095960
UDIN:24095960BKEZXN6309

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Shantanu Agarwal
Joint Managing Director
DIN: 02314304

Place: Noida (U.P.)
Date: 9th May, 2024

Manoj Gupta
Chief Financial Officer
FCA- 500020

Sandeep Singh
Company Secretary
FCS- 9877

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

1. Corporate Information

Maral Overseas Limited (the Company) is a public limited company incorporated and domiciled in India having its registered office at Maral Sarovar, V&P.O. Khalbujurg Tehsil Khasrawad, District Khargone, Madhya Pradesh, India. The Company has its primary listing on the BSE Limited and National Stock Exchange India Limited in India.

The Company is one of India's largest vertically integrated textile companies, having multiple facilities to produce Grey Yarn, Dyed Yarn, Knitted Fabric and Garments. The manufacturing plants of the Company are located in India.

1.1. Statement of Compliance

The financial statements are the separate financial statement which are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013('the Act') (to the extent notified) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 as amended and relevant amendment rules issued thereafter. These Ind AS had been adopted w.e.f. 1 April, 2017 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended

1.2. Basis of preparation and presentation

The Financial Statements have been prepared on historical cost basis except for following that are measured at fair value:

- Defined benefit plan-plan assets measured at fair value,
- Certain financial assets and liabilities (including derivative instruments).

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

1.3. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

1.4. Disclosure of material accounting policy

During the year the company have evaluated the amendment of disclosing their material accounting policy

in place of significant accounting policy and the impact of the amendment is insignificant to the company's financial statement.

2. Accounting Policies:

2.1. Classification of Assets and Liabilities as Current and Non-Current

Assets are classified as current when any of following criteria are satisfied:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period;
- The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

Liabilities are classified as current when any of following criteria are satisfied:

- expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.2. Revenue recognition

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Sale of goods

Sale of goods: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from the sale of goods is measured at the transaction price, which is adjusted for, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax/ Goods & Service Tax

Other Operating Income

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives. For Government grant refer Para 2.3.

Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income which are earned on temporary investment of borrowings are deducted from borrowing costs. Any other interest income is recognized as interest income in profit or loss.

Dividend Income

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

2.3. Government Grant & Government Assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognise as expenses the related costs for which the grants are intended to compensate.

The Capital Subsidy under Technology Up-gradation Fund Scheme (TUFS) Government on specified machinery and Duty saved under EPCG is recognized on a systematic and rational basis by adopting Deferred Income Approach. Such allocation to income is done prospectively over the remaining useful life of the respective assets and is adjusted against the depreciation in the Statement of Profit and Loss. Pending the utilization of the grant received, the same is presented as 'Deferred Income'.

2.4. Inventories

Inventories including goods-in-transit are measured at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials, embellishment, stores & spares and packing material:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress:

Cost includes cost of direct materials (net of realizable value of waste / by product) and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs and selling expenses.

Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Waste:

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

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

2.5. Property, Plant and Equipment (PPE)

Recognition and measurement:

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price including any import duties and non-refundable taxes and net of any trade discounts and rebates. It also includes any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The company identifies and determines the cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of asset and has useful life that is materially different from that of remaining assets.

Items of stores and spares that meet the definition of property, plant & equipment are capitalised at cost and depreciated over the useful life of asset. Otherwise such items are classified as inventories.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method (SLM) over the useful life of the assets.

For following class of assets, based on technical evaluation by chartered engineer and internal assessment, the management has reassessed the useful lives as different from the useful lives indicated under Part C of Schedule II of the Companies Act 2013. Management believes that the useful lives as given below, best represent the period over which these assets are expected to be used.

Asset Class	Useful Life based on technical evaluation	Useful Life indicated under Part C of Schedule II
Building	5 to 60 years	3 to 60 years
Plant and Machinery (General)	9 years 2 months (Triple shift)	15 years (Single Shift)
Plant and Machinery (Spinning unit melange)	15 years (Triple shift)	15 years (Single Shift)
Plant and Machinery (Textile Made-ups)	9 years (Single shift)	15 years (Single shift)
Plant and Machinery (Power)	18 years	40 years
Vehicles	5 years	8 – 10 years
Depreciation rates considered in preparation of financial statement are as per schedule II of companies Act 2013		
Furniture & Fixtures	10 years	
Office Equipment	5 years	
Computers & Software	3 – 6 years	

Residual value in respect of vehicles, furniture’s, computers, provided under the company employee benefit scheme is considered in accordance with the said scheme and is higher than 5% of the original cost of the assets.

Depreciation commences when the assets are available for intended use and is being calculated on monthly basis.

Free hold land is not depreciated.

Leasehold improvements are amortised over the primary period of lease.

Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Derecognition of PPE

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the Property, Plant and Equipment) is recognized in profit or loss when the Property, Plant and Equipment is derecognized.

2.6. Biological Assets

Biological assets comprise of livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit or loss.

2.7. Intangible assets

Recognition and measurement

An Intangible Assets is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of a separately acquired intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade

discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Goodwill acquired and/or arising upon business combinations initially recognized at cost and at subsequent period at cost less accumulated impairment loss, if any.

Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Impairment

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Asset Class	Useful Life
Software	3 – 6 years

Derecognition of Intangible assets

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

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

2.8. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(i) The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding

lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(ii) The Company as a lessor

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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

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

The practical expedient in paragraph 46A applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (b) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June, 2021 and increased lease payments that extend beyond the 30th June, 2021); and (c) there is no substantive change to other terms and conditions of the lease.

2.9. Foreign currencies

The Company's financial statements are presented in INR.

Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Exchange differences on translation of monetary items are recognised in profit or loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in OCI.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Derivative Financial Instruments and Hedge Accounting

The Company uses derivative instruments i.e. forward contracts to hedge its foreign currency risks. The Company designated these forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company has designated forward instruments on spot to spot basis. The Company recognises the forward points in the statement of profit and loss.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is reclassified to the profit or loss upon the occurrence of related forecasted transaction. If the forecasted transaction no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit or loss.

2.10. Employee benefits

Short-term employee benefits

Short-term employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan:

The Company makes defined contribution to employee's provident fund organization, pension fund, superannuation fund and Employees state insurance (ESI), which are accounted on accrual basis as expenses in the statement of Profit and Loss in the period during which the related services are rendered by employees.

Prepaid contribution are recognized as an assets to the extent that a cash refund or reduction in future payments is available.

Defined Benefit Plan:

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of

company. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the profit or loss.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of change in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from plan amendments and curtailments are recognised immediately in profit or loss as service cost.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and fair value of any related assets is deducted. The liability for other long-term employee benefits are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. Re-measurements are recognised in profit or loss in the period in which they arise.

If the benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted to present value.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred. The Company recognises a liability and expense for termination benefits at the earlier of the following dates:

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

- When the entity can no longer withdraw the offer of those benefits; and
- When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

If the benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted to present value.

2.11. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Income Tax – Current & Deferred

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

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly

in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.12. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised for present obligation (legal or constructive) of certain timing or amount arising as a result of past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

When it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably the obligation is disclosed as a contingent liability unless the possibility of outflow of resources embodying economic benefit is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, not wholly with in the control of entity are also disclosed as contingent liabilities.

Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

2.13. Segment reporting

The Company's operating segments are established on the basis of those components of the company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. Segment performance is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements.

The Operating Segments have been identified on the basis of the nature of products/services.

- Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment revenue.
- Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results. Expenses which relate to the Company as a

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

whole and not allocable to segments are included under unallocable expenditure.

- c) Income which relates to the Company as a whole and not allocable to segments are included under unallocable income.
- d) Segment result includes margin on inter segment sales which are reduced in arriving at the profit before tax of the Company.
- e) Segment assets & liabilities include those directly identifiable with the respective segments. Unallocable assets & liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis and are on an arm's length basis in a manner similar to transactions with third parties.

2.14. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.15. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and

financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.16. Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

2.17. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

value. Other fair value related disclosures are given in the relevant notes.

2.18. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 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.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

2.19. 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.

A. Financial assets

Initial recognition and measurement

All financial assets and liabilities are initially measured at fair value except for *trade receivables which are initially measured at transaction price*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not classified as subsequently measured at fair value through profit or loss, are adjusted to the fair value on initial measurement.

Subsequent measurement

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

a) Financial assets carried at amortised cost (AC)

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

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Where the company decided to make an irrevocable election to present the fair value gain and loss (excluding dividend) on non-current equity investments in other comprehensive income, there is no subsequent reclassification of fair value gain and loss to profit and loss even on sale of investments. However, the group may transfer the cumulative gain or loss within equity. The group makes such election on an instrument-by-instrument basis.

The company elected to measure the investment in subsidiary, associate and joint venture at cost.

C. Impairment of financial assets

The company assesses on a forward- looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. If credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month Expected Credit Loss (ECL) Note No.41.6 details how the group determines whether there has been significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 “*Financial Instruments*” which requires expected life time losses to be recognised from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

D. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

E. Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

F. Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

G. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.20. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

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 current and / or future periods are affected.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer note 2.10)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer note 2.17)

2.21. Critical accounting judgements and key sources of estimation uncertainty

The Preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

2.21.1. Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

Valuation of Deferred tax assets

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.11.).

Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no 2.5).

Impairment of Property Plant and Equipment

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use it is necessary to project the future cash flow of

assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit or loss. (Refer note no 2.5).

Provisions and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 3(i): Property, Plant and Equipment (PPE) consists of:

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Net Carrying Cost of :		
Property, Plant and Equipment		
Land Freehold	42.43	42.43
Buildings	5,493.32	2,694.27
Plant & equipment	23,216.06	12,413.24
Office equipment	142.52	172.79
Furniture and fixtures	316.08	321.98
Vehicles	278.35	221.46
Leasehold Improvement	151.05	137.72
Sub-total (A)	29,639.81	16,003.89
Capital work-in-progress		
Projects in progress	921.27	4,101.30
Sub-total (B)	921.27	4,101.30
Right of use Assets		
Right of use Assets	4,846.06	4,141.71
Sub-total (C)	4,846.06	4,141.71
Total (A+B+C)	35,407.14	24,246.90

(₹ in Lakh)

Particulars	Land Freehold	Buildings	Leasehold Improvement	Plant & equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Cost as at 1st April 2023	42.43	3,982.01	190.81	23,713.62	341.60	463.52	465.31	29,199.30
Additions	-	2,982.11	64.17	13,349.39	17.04	48.75	153.64	16,615.10
Disposals	-	(2.21)	(37.34)	(161.07)	(31.83)	(41.80)	(53.69)	(327.94)
Cost as at 31st March 2024	42.43	6,961.91	217.64	36,901.94	326.81	470.47	565.26	45,486.46
Accumulated depreciation as at 1st April 2023	-	1,287.74	53.09	11,300.39	168.82	141.54	243.85	13,195.41
Depreciation	-	181.23	43.21	2,511.65	41.61	42.92	85.40	2,906.02
Disposals	-	(0.38)	(29.71)	(126.16)	(26.13)	(30.06)	(42.34)	(254.78)
Accumulated depreciation as at 31st March 2024	-	1,468.59	66.59	13,685.88	184.30	154.40	286.91	15,846.65
Net Carrying amount as at 31st March 2024	42.43	5,493.32	151.05	23,216.06	142.52	316.08	278.35	29,639.81

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(₹ in Lakh)

Particulars	Land Freehold	Buildings	Leasehold Improvement	Plant & equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Cost as at 1st April 2022	42.43	3,984.40	113.69	20,825.40	244.14	304.53	483.46	25,998.06
Additions	-	20.12	77.12	3,659.27	112.92	163.21	52.39	4,085.03
Disposals	-	(22.51)		(771.05)	(15.46)	(4.22)	(70.55)	(883.79)
Cost as at 31st March 2023	42.43	3982.01	190.81	23713.62	341.60	463.52	465.31	29,199.30
Accumulated depreciation as at 1st April 2022	-	1,125.38	22.48	9,835.05	146.90	107.68	217.88	11,455.38
Depreciation	-	172.52	30.61	2,197.91	35.60	37.75	64.77	2,539.16
Disposals	-	(10.16)		(732.57)	(13.68)	(3.90)	(38.81)	(799.12)
Accumulated depreciation as at 31st March 2023	-	1,287.74	53.09	11,300.39	168.82	141.54	243.85	13,195.41
Net Carrying amount as at 31st March 2023	42.43	2,694.27	137.72	12,413.24	172.79	321.98	221.46	16,003.89

Notes:

- Assets are mortgaged/hypothecated against secured credit facilities availed from banks & financial institutions (refer note no. 18)
- The Company has opted to continue with carrying value of all of its Property, Plant and Equipment as deemed cost and net carrying value under previous GAAP is recognised as gross carrying amount in Ind AS, on transition date i.e. 1st April 2016
- Buildings include certain portion given on operating lease. It is not practical to give separate disclosure of gross block, depreciation charge for the year, accumulated depreciation and net block in respect of the same.
- Refer Note No 38 for the contractual commitment for the acquisitions of PPE.

Note 3(ii): Capital work-in-progress (CWIP) consists of:

Capital work-in-progress as at 31st March 2024

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	921.27	-	-	-	921.27
Total	921.27	-	-	-	921.27

Capital work-in-progress as at 31st March 2023

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	4,101.30	-	-	-	4,101.30
Total	4,101.30	-	-	-	4,101.30

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 3(iii): Right of use Assets (ROU) consists of:

(₹ in Lakh)

Particulars	Right of use Assets	Total
Cost as at 1st April 2023	5,613.61	5,613.61
Additions	1,466.71	1,466.71
Disposals	(61.55)	(61.55)
Cost as at 31st March 2024	7,018.77	7,018.77
Accumulated depreciation as at 1st April 2023	1,471.90	1,471.90
Depreciation	700.81	700.81
Disposals	-	-
Accumulated depreciation as at 31st March 2024	2,172.71	2,172.71
Net Carrying amount as at 31st March 2024	4,846.06	4,846.06

(₹ in Lakh)

Particulars	Right of use Assets	Total
Cost as at 1st April 2022	3,452.04	3,452.04
Additions	2,161.57	2,161.57
Disposals	-	-
Cost as at 31st March 2023	5,613.61	5,613.61
Accumulated depreciation as at 1st April 2022	739.44	739.44
Depreciation	732.46	732.46
Disposals	-	-
Accumulated depreciation as at 31st March 2023	1,471.90	1,471.90
Net Carrying amount as at 31st March 2023	4,141.71	4,141.71

Notes:

- In PY 2022-23 depreciation on ROU up to ₹112.19 Lakh has been capitalised through preoperative expenses of new garment unit.
- Refer Note No. 24 for right of use assets.

Note 4: Other Intangible Assets consists of:

(₹ in Lakh)

Particulars	Software	Total
Cost as at 1st April 2023	610.00	610.00
Additions	5.81	5.81
Disposals	(0.97)	(0.97)
Cost as at 31st March 2024	614.84	614.84
Accumulated depreciation as at 1st April 2023	453.18	453.18
Depreciation	73.57	73.57
Disposals	(0.81)	(0.81)
Accumulated depreciation as at 31st March 2024	525.94	525.94
Net Carrying amount as at 31st March 2024	88.90	88.90

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(₹ in Lakh)

Particulars	Software	Total
Cost as at 1st April 2022	596.59	596.59
Additions	13.41	13.41
Disposals	-	-
Cost as at 31st March 2023	610.00	610.00
Accumulated depreciation as at 1st April 2022	361.61	361.61
Depreciation	91.58	91.58
Disposals	-	-
Accumulated depreciation as at 31st March 2023	453.18	453.18
Net Carrying amount as at 31st March 2023	156.82	156.82

Note 5: Biological Assets consists of:

(₹ in Lakh)

Particulars	Biological Assets	Total
Cost as at 1st April 2023	7.56	7.56
Additions	1.52	1.52
Disposals	(2.14)	(2.14)
Cost as at 31st March 2024	6.94	6.94
Net Carrying amount as at 31st March 2024	6.94	6.94

(₹ in Lakh)

Particulars	Biological Assets	Total
Cost as at 1st April 2022	5.23	5.23
Additions	4.37	4.37
Disposals	(2.04)	(2.04)
Cost as at 31st March 2023	7.56	7.56
Net Carrying amount as at 31st March 2023	7.56	7.56

Note 6: Deferred tax assets /(liabilities)

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Deferred tax assets	2,167.86	2,041.47
Deferred tax liabilities	(2,593.81)	(2,328.85)
Deferred tax assets/(liabilities)-Net	(425.95)	(287.38)

Movement in Deferred tax assets

(₹ in Lakh)

FY 2023-24	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to:				
Provision for employee benefits	292.24	24.90	-	317.14
Income on ITR Revised u/s 153 A for earlier years	526.23	-	-	526.23
Lease liabilities	1,067.65	236.41	-	1,304.06
Redeemable Cumulative Preference Share	1.27	(1.27)	-	-
Others	154.08	(151.69)	18.04	20.43
Total	2,041.47	108.35	18.04	2,167.86

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(₹ in Lakh)

FY 2022-23	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to:				
Provision for employee benefits	260.29	31.95	-	292.24
Income on ITR Revised u/s 153 A for earlier years	526.23	-	-	526.23
Lease liabilities	-	1,067.65	-	1,067.65
Redeemable Cumulative Preference Share	1.27	-	-	1.27
Others	128.55	10.91	14.62	154.08
Total	916.34	1,110.50	14.62	2,041.47

Movement in Deferred tax liabilities

(₹ in Lakh)

FY 2023-24	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to:				
Property, Plant & Equipment	1,207.04	122.73	-	1,329.77
Right of use Assets (ROU)	995.18	130.59	-	1,125.77
Redeemable cumulative Preference share capital	9.27	(9.27)	-	-
Cash flow hedge reserve	19.23	-	-	19.23
Borrowings at amortised cost	5.88	(5.88)	-	-
Provision for employee benefits	92.24	-	26.80	119.04
Total	2,328.85	238.17	26.80	2,593.81

(₹ in Lakh)

FY 2022-23	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to				
Property, Plant & Equipment	1,260.74	(53.70)	-	1,207.04
Right of Use Assets (ROU)	-	995.18	-	995.18
Redeemable cumulative Preference share capital	9.27	-	-	9.27
Cash flow hedge reserve	19.23	-	-	19.23
Borrowings at amortised cost	5.88	-	-	5.88
Provision for employee benefits	90.75	-	1.49	92.24
Total	1,385.87	941.49	1.49	2,328.85

Note 7: Loans

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non- Current		
Loans Recoverable from Employees considered good - Unsecured	44.76	43.68
Total	44.76	43.68
Current		
Loans Recoverable from Employees considered good - Unsecured	99.82	89.62
Total	99.82	89.62

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 8: Other financial assets (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non- Current		
Capital Subsidy Receivable / Others *	2,993.75	438.93
Security Deposits	102.53	121.53
Total	3,096.28	560.46
Current		
Capital Subsidy Receivable / Others *	1,834.26	623.95
Security Deposits	-	-
Forward Contract Profit Receivable** (Refer Note No. 41.3.1)	10.53	80.25
Total	1,844.79	704.20

* During the Year 2023-24, Capital Subsidy has been recognised against the M.P. State Govt. capital subsidy for eligible capital investment in plant & machinery, electric installation and factory building.

** Receivable from forward contract on hedging of foreign currency- as on 31st March 2024 ₹10.53 Lakh (₹80.25 Lakh as on 31st March 2023)

Note 9: Other assets (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non- Current		
Security and earnest money deposits	792.66	852.61
Prepaid expenses	10.38	9.10
Income tax refundable (Refer Note (i) Below)	158.42	158.42
Total	961.46	1,020.13
Current		
Balances with government authorities		
GST receivable	2,452.20	3,082.71
Excise Duty receivable	3.11	36.11
VAT and Sales Tax receivable	6.71	6.71
Advance to vendors		
Advances for capital goods	530.00	2,011.53
Advance other than capital goods	881.94	1,337.71
Less: Provision for doubtful advances	-	(6.79)
Others		
Interest subsidy receivable under Technology upgradation fund scheme (TUFS)	119.24	119.23
Interest subsidy receivable under M.P. State Subsidy Scheme	227.59	212.34
Export incentives receivable	385.37	550.78
Prepaid expenses	258.78	238.73
Advance to employees	21.23	1.22
Surplus of planned asset over Gratuity obligation (Refer Note No. 39)	-	27.08
Total	4,886.17	7,617.36

Note: (i) Income tax refundable represents amounts recoverable from Income Tax Department for various assessment years. In respect of disputed demands, company has filed appeals which are pending at various levels and for assessment years where the issues have been decided in favour of the company and company is in the process of reconciling / adjusting the same with the Income Tax Department. Necessary value adjustments shall be made on final settlement by Income Tax Department, if any.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 10: Inventories (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Raw Materials	8,017.33	8,885.69
Work - in - progress	3,004.24	2,732.38
Finished goods	5,090.69	6,051.96
Stores & Spares	133.05	166.24
Waste	91.82	53.72
Fuel and Others	60.89	60.11
Total	16,398.02	17,950.10

Note 11: Investments (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current		
Investments in fully paid equity instruments at FVTPL		
Quoted Equity shares		
State Bank of India	114.21	79.39
15,180 (PY 15,180) shares of ₹1 /- each fully paid up		
Total	114.21	79.39
Aggregate book value of Quoted investments	114.21	79.39
Aggregate market value of Quoted investments	114.21	79.39

Note 12: Trade Receivables (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current		
(a) Trade Receivables - Unsecured		
Trade Receivables considered good	12,096.64	9,911.61
Trade Receivables considered doubtful	408.57	1,004.47
Total	12,505.21	10,916.08
(b) Trade Receivables - credit impaired		
Less- Allowances for credit losses	(408.57)	(1,004.47)
Total	12,096.64	9,911.61

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 12 (i): Trade Receivables ageing schedule as at 31st March 2024 (₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	9,023.79	2,325.87	0.46	-	736.46	2.78	12,089.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	7.95	30.04	-	-	-	37.99
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	0.70	3.87	35.66	57.80	279.83	377.86
Total	9,023.79	2,334.52	34.37	35.66	794.26	282.61	12,505.21
Less:- Allowance for Doubtful trade receivables							408.57
Trade Receivables							12,096.64

Note 12 (i): Trade Receivables ageing schedule as at 31st March 2023 (₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	7,058.53	2,521.70	-	-	-	-	9,580.23
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	13.04	73.54	28.13	-	-	114.70
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	16.42	32.35	374.69	751.92	45.77	1,221.15
Total	7,058.53	2,551.16	105.89	402.82	751.92	45.77	10,916.08
Less:- Allowance for Doubtful trade receivables							1,004.47
Trade Receivables							9,911.61

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 13: Cash and cash equivalents (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balances with banks		
- in current accounts	45.19	96.82
Cheques on hand	0.13	180.61
Cash on hand	13.05	11.06
Total	58.37	288.49

Note 14: Bank balances (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current		
Fixed Deposit receipt (FDR) held as Margin Money*	427.36	412.97
Unpaid/Unclaimed Dividend in designated bank account	12.89	12.94
Total	440.25	425.91

* FDR towards margin for issuance of Letter of Credit, Bank Guarantee and towards Debt Service Retention Account (DSRA) held as margin money.

Note 15: Current Tax Assets Net of Current Tax Liabilities (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current Tax Assets		
Advance Tax	100.00	100.00
Tax Deducted at Source	117.29	59.43
Tax Collected at Source	9.50	4.18
	226.79	163.61
Less: Provision for Tax	-	-
Total	226.79	163.61

Note 16: Share capital (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Authorised Share Capital		
4,40,00,000 (PY 4,40,00,000) Equity Shares of ₹10/- each	4,400.00	4,400.00
31,00,000 (PY 31,00,000) Cumulative Redeemable Preference Shares of ₹100/- each	3,100.00	3,100.00
Total	7,500.00	7,500.00
Issued, subscribed and paid-up capital		
4,15,08,000 (PY 4,15,08,000) fully paid up Equity Shares of ₹10 /- each	4,150.80	4,150.80
Total	4,150.80	4,150.80

(i) Reconciliation of number of equity shares outstanding at the beginning and end of the year (₹ in Lakh)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	4,15,08,000	4,150.80	4,15,08,000	4,150.80
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	4,15,08,000	4,150.80	4,15,08,000	4,150.80

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(ii) Rights, Preferences and restriction attached to equity shares

Company has only one class of equity shares having a face value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The holder of equity shares is entitled to receive dividend only after distribution of dividend to the holders of Preference Shares, if any.

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 shares held by the equity shareholders.

(iii) Details of shares held by shareholders holding more than 5% of equity shares:

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of shares	% Holding	Number of shares	% Holding
Agarwal Trademart Private Limited	1,97,60,000	47.61%	1,97,60,000	47.61%
Agarwal Finestate Private Limited	73,96,056	17.82%	73,96,056	17.82%
Total	2,71,56,056	65.43%	2,71,56,056	65.43%

(iv) Shares held by promoters at the end of year

Promoter Name	As at 31 st March 2024		Change during the year*	As at 31 st March 2023		Change during the year*
	No of Shares	(%) of total shares*		No of Shares	(%) of total shares*	
Sh. Shekhar Agarwal	7,55,573	1.82%	-	7,55,573	1.82%	No Change during the year
Sh. Shantanu Agarwal	5,54,500	1.34%	-	5,54,500	1.34%	
Smt. Shashi Agarwal	10,37,600	2.50%	-	10,37,600	2.50%	
Smt. Shuchi Poddar	56,100	0.14%	-	56,100	0.14%	
Shekhar Agarwal HUF	4,03,800	0.97%	-	4,03,800	0.97%	
Shantanu Agarwal HUF	2,750	0.01%	-	2,750	0.01%	
Shekhar Agarwal-Trust	2,750	0.01%	-	2,750	0.01%	
Smt. Alka Agarwal	4,200	0.01%	-	4,200	0.01%	
Agarwal Trademart Private Limited	1,97,60,000	47.61%	-	1,97,60,000	47.61%	
Agarwal Finestate Private Limited	73,96,056	17.82%	-	73,96,056	17.82%	
Diplomat Leasing And Finance Private Limited	11,35,500	2.74%	-	11,35,500	2.74%	
SSSA Family Private Limited (Trustee Of Shekhar Agarwal Family Pvt. Trust)	100	0.00%	0%	-	0.00%	
SSSA Family Private Limited (Trustee Of Shashi Agarwal Family Pvt. Trust)	100	0.00%	0%	-	0.00%	
SSSA Family Private Limited (Trustee Of Shantanu Agarwal Family Pvt. Trust)	100	0.00%	0%	-	0.00%	
SSSA Family Private Limited (Trustee Of Shuchi Agarwal Family Pvt. Trust)	100	0.00%	0%	-	0.00%	
Total	3,11,09,229	74.95%		3,11,08,829	74.95%	

*Shareholding and change in shareholding in % is rounded off to the nearest figure.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 17: Other equity

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Retained Earnings	1,229.96	2,120.96
General Reserve	10.16	10.16
Securities Premium Reserve	2,590.07	2,590.07
Preference Share Capital Redemption Reserve	5,085.40	5,085.40
Capital Reserve	113.47	113.47
Cash Flow Hedge Reserve	(25.95)	27.69
Total	9,003.11	9,947.75

Note 17.1 Retained earnings

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	2,120.96	4,539.24
Profit for the year	(976.35)	(1,592.57)
Dividend Distribution (Refer note 45)	-	(830.16)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	85.35	4.45
Balance at the end of the year	1,229.96	2,120.96

Note 17.2 General reserve

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	10.16	10.16
Balance at the end of year	10.16	10.16

Note 17.3 Securities premium reserve

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	2,590.07	2,590.07
Balance at the end of year	2,590.07	2,590.07

Note 17.4 Preference share capital redemption reserve

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	5,085.40	5,085.40
Balance at the end of year	5,085.40	5,085.40

Note 17.5 Capital reserve

(₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	113.47	113.47
Balance at the end of year	113.47	113.47

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 17.6 Cash flow hedge reserve (₹ in Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of year	27.69	71.17
Other comprehensive income arising from cash flow hedge net of income tax	(53.64)	(43.48)
Balance at the end of year	(25.95)	27.69

Note 17.7 Nature and Purpose of Reserves

Retained Earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

General Reserve

This represents appropriation of profit after tax by the company.

Securities Premium Reserve

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provision of the companies Act, 2013.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of Cumulative Preference Shares.

Capital Reserve

Capital reserve arises from erstwhile amalgamation of Asian Knitwear's Limited with the Company.

Cash Flow Hedge Reserve

This reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

Note 18: Borrowings

(₹ in Lakh)			
Particulars		As at 31 st March 2024	As at 31 st March 2023
Non-Current			
Secured - at amortised cost			
Term loans from banks { Refer Note 18 (i) and 18(ii) }		16,253.28	9,152.88
Term loans from financial institutions { Refer Note 18 (i) and 18(ii) }		1,875.42	2,293.58
Interest accrued but not due on borrowings shown separately { Refer Note No 19 (ii) }		67.73	25.69
Total Secured - at amortised cost		18,196.43	11,472.15
Interest accrued but not due on borrowings- shown separately { Refer Note No 19 (ii) }		(67.73)	(25.69)
		18,128.70	11,446.46
Less: Current maturities of Long term debt		3,614.01	2,418.42
Total Non current secured - at amortised cost	A	14,514.69	9,028.04
Unsecured			
Unsecured loan from related party		1,000.00	-
Total Non current unsecured	B	1,000.00	-
Total (A+B)		15,514.69	9,028.04

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(₹ in Lakh)

Particulars		As at 31 st March 2024	As at 31 st March 2023
Current			
Secured			
Working capital loan from banks repayable on demand { Refer Note: 18 (viii) }			
Cash Credit facilities from Banks		12,014.04	8,932.65
Export credit facilities from Banks (in Indian Rupees)		8,320.69	9,556.17
Current maturities of Long term debt		3,614.01	2,418.42
Foreign Bill Purchase (FBP) Bill Discounting		155.94	376.44
Unsecured			
Bill discounting facility for MSME vendors through RXIL		2,804.99	2,601.89
Total		26,909.67	23,885.57

18 Summary of borrowing arrangements

- (i) Term loans from lenders viz banks & financial institutions are secured by mortgage and first charge shared amongst the lenders on *pari passu* basis over fixed assets of the company (movable & immovable) and collaterally secured by second charge shared amongst the lenders on *pari passu* basis over current assets of the company. During the financial year 2020-21 pursuant to notification DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 company had availed the extension in repayment of term loan installment including Interest.

(ii) Maturity Profile & Interest rate of secured loans & unsecured loans (₹ in Lakh)

Particulars	Maturity	Interest	As at 31 st March 2024	As at 31 st March 2023
Term loans from banks				
Project term loans	2029 to 2033	MCLR+ 1% to 1.75%	13,169.27	5,228.08
Covid Loan from banks under ECLGS 1, 2 & 2 (extention)	2026 to 2029	MCLR+ 0.50% to 1.25 %	3,084.01	3,924.80
Term loans from financial institutions				
Project term loans	2025 to 2026	MCLR +1.75%	1,173.34	1,760.00
Covid Loan from financial institutions under ECLGS 1, 2	2025 to 2026	MCLR +1.00%	702.08	533.58
Unsecured loan from related party	2029	MCLR+ 0.40%	1,000.00	-

- (iii) All secured loans are repayable in quarterly installments except ECLGS 1, 2 and 2 (extention) which are repayable on monthly installments basis.
- (iv) Unsecured loan from related party, carries a fixed rate of interest of 9.25% per annum on mutually agreed terms between both the parties, repayable in 5 years by way of eight (8) equal quarterly installments after a moratorium period of 3 years.
- (v) Some of the lenders follow the practice to recover *suo motto*, payment of both principal as well as interest repayable on credit facilities from the working capital facilities availed by the company, where applicable, or from the current account under instructions from the Company. It is regarded as accepted practice that the due date for payment shall be the date next following the date when interest is charged. Any delay on part of the lender to recover payment, either in line with past practice or specific instructions given in this regard by the Company, is not attributable to default on part of the Company Accordingly, there is no continuing default in repayment of the principal and interest repayable on credit facilities.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

- (vi) Working capital loan from banks repayable on demand are secured by way of hypothecation through first charge, ranking *pari-passu*, on stocks of raw material, stock in process, finished goods, book debts / receivables and all current assets stored in the company's factory premises, at all plants and / or elsewhere including those in transit covered by documents of title thereto, local and export usance bills and second charge on *pari-passu* basis on the entire movable and immovable assets of the Company (fixed assets), both present and future.
- (vii) Working capital facilities from banks, are secured by pledge of stipulated promoter's equity shareholding, constituting 36% of the issued equity capital, in favour of lenders on *pari-passu* basis.
- (viii) Due to Covid-19 pandemic, Govt. notified the scheme of ECLGS 1, 2 & 2 (extension) to mitigate the working capital crisis and as per scheme, during the year company have been sanctioned and received a Loan of ₹337.00 Lakh. (previous year ₹421.00 Lakh)

Note 19 (i): Financial liabilities (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non-Current		
Lease Liabilities (refer note No. 24)	4,733.99	3,686.64
	4,733.99	3,686.64
Current		
Lease Liabilities (refer note No. 24)	447.42	555.45
Total	447.42	555.45

Note 19 (ii): Other financial liabilities (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non-Current		
Security deposits from employees	19.97	22.35
Total	19.97	22.35
Current		
Interest accrued but not due on borrowings	67.73	25.69
Other Liabilities for Expenses	1,678.87	1,163.20
Employee Related Liability	1,446.69	1,278.43
Security Deposits-Employees	72.60	81.58
Security Deposits-Others	268.18	156.19
Retention Money from Vendors/Suppliers	218.32	81.32
Payable to vendors of Capital goods	-	62.20
Rebates & Claims	313.06	176.03
Other payables	15.27	14.20
Forward Contracts Loss Payable	34.67	-
Unpaid/ unclaimed dividend on Equity Shares (Refer note No. 45)	12.89	12.94
Total	4,128.28	3,051.78

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 20: Provisions (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non-current		
Provision for employee benefits		
Compensated absences*	454.05	399.18
Total	454.05	399.18
Current		
Provision for employee benefits		
Gratuity	116.63	-
Compensated absences*	59.64	68.18
Superannuation	13.92	71.99
Total	190.19	140.17

* Compensated absences includes actuarial liability for Earned leave and Sick leave of the employees, in accordance with IND AS 19.

Note 21: Other liabilities (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Non-Current	-	-
Current		
Statutory dues (contribution to PF, ESIC, Withholding tax, GST etc.)	293.67	298.70
Contested demands	406.48	373.16
Advance received from customers	955.98	1,155.03
Total	1,656.13	1,826.89

Note 22: Deferred Government Grant (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of the year	1,085.36	1,339.59
Add: Addition during the year**	3,683.89	0.32
Less: Apportioned to revenue (M.P. Govt Subsidy)*	(240.82)	(240.82)
Less: Apportioned to revenue (TUFS Subsidy)	(13.19)	(13.73)
Balance at the end of the year	4,515.24	1,085.36

* Deferred Government grant liability has been recognised against the capital subsidy receivable from M.P. State Govt & to be adjusted over the life of assets.

** During the Year 2023-24, Deferred Government grant liability has been recognised against the M.P. State Govt. capital subsidy for capital investment in plant & machinery, electric installation and factory building.

Note 23: Trade payables (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 23.1)	621.53	1,386.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,999.52	3,812.33
Total	3,621.05	5,198.48

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 23.1

Disclosure Under the Micro, Small and Medium enterprise Development Act, 2006 are provided as under for the year 2023-24, to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act.)		
(i) Principal amount due to Micro, Small and Medium enterprise.	621.53	1,386.15
(ii) interest due on above	-	-
(b) Amount of payments made to suppliers beyond the appointed day during the year		
(i) Principal amount paid to Micro, Small and Medium enterprise.	-	-
(ii) interest actually paid under section 16 of MSMED Act.	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
(e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Dues of Micro, Small and Medium Enterprises have been determined to the extent such enterprises have been identified on the basis of information collected by the Management.

Trade Payables ageing schedule

(₹ In Lakh)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
As at 31st March 2024						
(i) MSME*	622.87	(0.74)	(0.60)	-	-	621.53
(ii) Others	1,427.26	1,321.39	182.56	5.89	10.57	2,947.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	51.85	51.85
Total	2,050.13	1,320.65	181.96	5.89	62.42	3,621.05
As at 31st March 2023						
(i) MSME*	1,337.50	48.82	(0.16)	-	-	1,386.15
(ii) Others	2,083.33	1,497.17	66.76	79.69	33.53	3,760.48
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	51.85	51.85
Total	3,420.83	1,545.99	66.60	79.69	85.38	5,198.48

*MSME as per the Micro, Small and Medium Enterprises Development Act 2006

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 24: Right of Use Assets (ROU)

Following are the changes in the carrying value of right of use assets

(₹ In Lakh)

Particulars	Category ROU Assets			Total
	Tangible assets	Land	Buildings	
Balance as at 1st April 2022	201.00	201.11	2,310.48	2,712.59
Reclassified on account of adoption of Ind AS 116 (refer to Note 3)				
Additions	-	-	2,161.57	2,161.57
Deletion	-	-	-	-
Depreciation	22.65	2.06	707.75	732.46
Balance as at 1st April 2023	178.35	199.05	3,764.31	4,141.71
Additions	-	-	1,466.71	1,466.71
Deletion	-	-	61.55	61.55
Depreciation	22.65	2.06	676.10	700.81
Balance as at 31st March 2024	155.70	196.99	4,493.37	4,846.06

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at 31st March 2024

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current lease liabilities	447.42	555.45
Non-current lease liabilities	4,733.99	3,686.64
Total	5,181.41	4,242.09

The following is the movement in lease liabilities during the year ended 31st March 2024:

(₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Balance at the beginning	4,242.09	2,642.72
Additions	1,439.97	2,095.80
Finance cost accrued during the period	497.55	321.90
Finance cost accrued and capitalised	-	98.28
Deletions	85.37	-
Payment of lease liabilities	912.83	916.62
Balance at the end	5,181.41	4,242.09

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2024 on an undiscounted basis:

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Less than one year	931.58	901.05
One to five years	3,916.66	3,718.07
More than five years	3,072.76	1,755.44
Total	7,921.00	6,374.56

Note:-

The Company does not face 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 Forming Part of the Financial Statements for the year ended 31st March 2024

Note 25: Revenue from operations (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A. Sale of Goods		
Manufactured goods		
Yarn	43,609.09	38,207.49
Fabric	22,778.57	29,255.00
Garments/Made-ups	19,963.47	25,474.33
Cotton/Other waste	6,898.58	5,609.70
Traded Goods		
Cotton	-	1,105.01
Yarn	31.56	113.47
Total (A)	93,281.27	99,765.00
B. Sale of Services		
Job charges	348.50	422.73
Total (B)	348.50	422.73
C. Other operating revenue		
Sale of scrap	179.40	182.48
Export incentives	2,196.44	2,214.85
Total (C)	2,375.84	2,397.33
Total (A)+(B)+(C)	96,005.61	1,02,585.06

Note 25.1: Revenue from contracts with customers disaggregated based on geography (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
India	52,853.04	59,317.97
Outside India	43,152.57	43,267.09
Total	96,005.61	1,02,585.06

Note 25.2: The following is analysis on the Company's revenue disaggregates on the basis of timing of revenue recognition (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
At the point in time	96,005.61	1,02,585.06
Over the period	-	-
Total	96,005.61	1,02,585.06

Note 25.3 Revenue based on business segment

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction period has been allocated.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 25.4: Reconciliation of Revenue from Contracts with Customers (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Revenue from contracts with Customers as per Contract price	96,091.33	1,02,651.93
Less: Incentives, Discounts and Claims	85.72	66.87
Revenue from Contracts with Customers as per Statement of Profit & Loss	96,005.61	1,02,585.06

The amount receivable from customers becomes due after fulfillment of performance obligation and becomes over due after expiry of credit period. There is no significant financing component in any transaction with the customer.

Note 26: Other income (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Net gain on foreign currency transaction & translation (Other than considered as finance cost)	475.07	389.51
Interest income	194.00	199.74
State interest subsidy	-	14.51
Provision/Liability no longer required written back	900.57	579.77
Miscellaneous income	630.28	276.42
Net gain on sale of capital assets	56.01	61.50
Dividend on current investments	1.72	1.08
Fair value gain on Re-measurement of investment at FVTPL	34.82	4.51
Total	2,292.47	1,527.04

Note 27(i): Cost of materials consumed (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A. Raw materials consumed		
Cotton	39,598.41	37,390.25
Other fibers	2,675.68	3,684.50
Dyes & Chemicals	3,754.26	3,780.50
Embellishments	1,742.35	2,095.26
Total (A)	47,770.70	46,950.51
B. Purchases for consumption		
Yarn	7,233.63	9,569.01
Fabric	4,030.47	6,396.96
Total (B)	11,264.10	15,965.97
C. Other materials consumed		
Packing materials	1,102.46	1,139.43
Total (C)	1,102.46	1,139.43
Total (A)+(B)+(C)	60,137.26	64,055.91

Note 27(ii): Purchases of stock-in-trade (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Purchases		
Cotton/Yarn	36.71	839.12
Total	36.71	839.12

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 28: Changes in inventories of Finished goods and Work-in-progress (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Inventories at the end of the year		
Finished Goods	5,090.69	6,051.96
Work-in-progress	3,004.24	2,732.38
Waste	91.82	53.72
Total A	8,186.75	8,838.06
Inventories at the beginning of the year		
Finished Goods	6,051.96	9,555.69
Work-in-progress	2,732.38	3,226.21
Waste	53.72	39.40
Total B	8,838.06	12,821.30
(Increase)/Decrease in inventories (B-A)	651.31	3,983.24

Note 29: Employee Benefit Expenses (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Salaries & wages	13,110.44	13,129.19
Contribution to provident and other funds	1,427.86	1,347.67
Workman and staff welfare	171.82	158.36
Total	14,710.12	14,635.22

Note 30: Finance costs (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest expense including corporate restructuring expense (refer note (i & ii) below)	3,286.60	2,193.01
Bank Charges related to borrowings	108.28	116.82
Total	3,394.88	2,309.83

Notes:

- (i) Interest expenses are net off - from interest subsidy under the Technology Upgradation Fund Scheme (TUFS) ₹ Nil for 31 March 2024 (PY ₹0.58 Lakh) & under State subsidy ₹15.26 Lakh for 31 March 2024 (PY ₹71.18 Lakh).
- (ii) Recompense Expenses - Refer note No. 44

Note 31: Depreciation and amortisation expenses (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Depreciation on Property, Plant and Equipment	3,606.84	3,159.43
Amortisation of Intangible assets	73.56	91.58
Less: Amortisation of deferred Govt. grant (M.P. Govt Subsidy)	(240.82)	(240.82)
Less: Amortisation of deferred Govt grant (TUFS Subsidy)	(13.19)	(13.73)
Total	3,426.39	2,996.46

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 32: Other expenses (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Consumption of stores & spare parts	1,906.05	1,564.28
Job work costs	2,020.49	2,636.85
Power & fuel	6,736.25	6,391.67
Repairs & maintenance		
-Plant & Machinery	225.93	237.55
-Buildings	14.22	13.20
-Others	206.58	232.93
Freight & Forwarding	1,492.58	1,309.07
Selling expenses	824.71	1,035.20
Commission to selling agents	456.91	523.46
Provision for doubtful debts (ECL)/advances	4.06	6.83
Exchange Forex Loss (Net)	-	97.79
Insurance	194.14	227.18
Rent	35.19	30.54
Rates & Taxes	96.42	56.06
Internet Expenses	26.99	29.47
Subscription & Membership	24.81	32.45
Printing & Stationery	32.55	29.34
Postage & Telegraph	84.19	139.31
Security Expenses	118.93	134.22
Other expenses	610.46	967.02
Donation to political party	300.00	-
Consultancy	421.68	335.68
Legal & Professional Charges	134.99	110.09
Payment to statutory auditor (refer note (iv) below)	28.31	29.47
Conveyance	575.63	759.75
Vehicle Running & Maintenance	105.51	104.04
Loss on sale of Capital assets	40.70	23.14
Corporate social responsibility (CSR) expenditure (refer note (i to iii) below)	69.67	71.34
Total	16,787.95	17,127.93

Notes:

- (i) The Company has contributed and expensed ₹42.49 Lakh (31st March,2023 : ₹71.34 Lakh) and further an amount of ₹27.18 Lakh is transferred to designated bank account to be utilised exclusively for CSR project undertaken by the company against the total contributable amount of ₹69.67 Lakh for the year ended 31st March, 2024 (31st March, 2023 : ₹71.34 Lakh) in accordance with provisions of section 135 of Companies Act, 2013 to various trusts and social organization. The contributions have been made for promoting education and health care activities as per note (iii) below.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(ii) Amount spent during the year (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Corporate social responsibility		
In cash/Cheque	42.49	71.34
Amount transferred to designated bank account	27.18	-
Total	69.67	71.34

(iii) Corporate Social Responsibility (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
1. Amount required to be spent by the company during the year	69.67	71.34
2. Amount of expenditure incurred on:		
(i) Promoting education, including special education and employment enhancing vocation *	59.20	59.34
(ii) Promoting health care including preventive health care and making available safe drinking water	-	12.00
(iii) Enhancement of Women Professional Skills for Textile Industries	10.47	-
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	As per S.No. 2 of above	As per S.No. 2 of above

*It includes an amount of ₹27.18 Lakh as on 31st March 2024 transferred to unspent CSR bank account for on going project towards promoting education for construction of 2 class rooms.

(iv) Payment to statutory auditor (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
(i) Statutory audit Fee	21.00	21.00
(ii) Limited review	1.50	1.50
(iii) Out of pocket expenses	5.81	6.97
Total	28.31	29.47

Notes 33: Income Taxes

33.1 Income taxes recognised in profit and loss (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Current tax expense		
Current year	-	-
Tax of earlier years Written off / (Written back)	-	(74.02)
Deferred tax expense		
origination and reversal of temporary differences	129.81	(169.02)
Total income tax expense recognised in the current year	129.81	(243.04)

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

The income tax expense for the year can be reconciled to the accounting profit as follows: (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Profit before tax	(846.54)	(1,835.61)
Statutory Income tax rate	25.168%	25.168%
Tax at Indian statutory income tax rate	-	-
Tax due to timing differences	129.81	(169.02)
Adjustment recognised in the current year in relation to the current tax of prior years	-	(74.02)
Income tax expense recognised in statement of profit and loss	129.81	(243.04)

33.2 Income tax recognised for earlier years (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Income tax liability for the assessment year 2022-23	-	2,639.88
Income tax liability for the assessment year 2023-24	-	-
Total of Provision for tax	-	2,639.88
Less:- Provision for Income tax for the assessment year 2022-23	-	2,713.90
Less:- Provision for Income tax for the assessment year 2023-24	-	-
Total	-	(74.02)

Note: DTVSV Scheme was announced in Budget 2020 as "No Dispute but Trust Scheme-Vivad se Vishwas Scheme" to settle pending disputes. The Company opted the scheme for the assessment year 2009-10 & 2013-14 for settlement of pending appeals and accordingly tax liability has been recognised.

33.3 Income tax recognised in other comprehensive income (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Current Tax	-	-
Deferred Tax		
Remeasurements of defined benefit obligation	(26.80)	(1.49)
Effective portion of cash flow hedge reserve	18.04	14.62
Total income tax recognised in other comprehensive income	(8.76)	13.13

33.4 Reconciliation of tax expenses (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Total Amount Charged to statement of profit and loss as above Note no. 33.4	129.82	(169.02)
Add:- Amount of difference in Tax Provision & actual tax liability of Previous year	-	(74.02)
Add:- Provision for Income tax	-	-
Tax Expenses as per statement of profit and loss	129.82	(243.04)

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

33.5 Deferred Tax Assets and Liabilities

(₹ In Lakh)

Particulars		
Opening Balance as on 1st April 2022		469.53
Amount Charged to statement of profit and loss		
Deferred Tax Liability on provision for employees benefit, Doubtful Debts & Lease Liability	(1,110.50)	
Deferred Tax Assets created on PPE & ROU	941.49	
Total Amount charged to statement of profit and loss		(169.02)
Amount charged to other comprehensive income (OCI)		
Deferred Tax Assets set off for cash flow hedge reserve	(14.62)	
Deferred Tax Liability set off for employees benefit	1.49	
Total Amount charged to other comprehensive income (OCI)		(13.13)
Opening Balance as at 1st April 2023		287.38
Amount charged to statement of profit and loss		
Deferred Tax Liability on provision for employees benefit, Doubtful Debts & Lease Liability	(108.35)	
Deferred Tax Assets created on PPE & ROU	238.17	
Total Amount charged to statement of profit and loss		129.82
Amount charged to other comprehensive income (OCI)		
Deferred Tax Assets set off for cash flow hedge reserve	(18.04)	
Deferred Tax Liability set off for employees benefit	26.80	
Total Amount charged to other comprehensive income (OCI)		8.76
Closing Balance as at 31st March 2024		425.96

Note 34: Earnings per share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Profit after tax as per statement of Profit & Loss	(976.35)	(1,592.57)
Net earning for computing basic earnings per share	(976.35)	(1,592.57)
Add: Interest (net of tax)	-	-
Total	(976.35)	(1,592.57)
Number of equity shares	4,15,08,000	4,15,08,000
Weighted average number of equity shares used in computing the basic earnings per share	4,15,08,000	4,15,08,000
Weighted average number of equity shares used in computing the diluted earnings per share	4,15,08,000	4,15,08,000
Basic earnings per share of ₹10 each	(2.35)	(3.84)
Diluted earnings per share of ₹10 each	(2.35)	(3.84)
Face value per share (in ₹)	10	10

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 35: Segment Reporting

The Company is currently operating into three business segments i.e, Yarn, Fabric and Garment. These segments offer different products and require different technology and marketing strategies.

Identification of Segments

The Board of Directors has been identified as Chief Operation Decision Maker who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Accounting policy in respect of segments is in conformity with accounting policy of the company as a whole.

Inter segment Transfer

Segment revenue resulting from transactions with other business segments is accounted for on basis of transfer price agreed between the segments. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Segment Revenue & Results

The Revenue and Expenditures in relation to the respective segments have been identified and allocated to the extent possible. Other revenue and expenditures non allocable to specific segments are disclosed separately as unallocated and adjusted directly against total income of the Company.

Segment Assets & Liabilities

Segment Assets includes all operating assets used by the operating segment and mainly consists of property, plant & equipment, trade receivables, cash and cash equivalents and inventory etc. Segment Liabilities primarily include trade payables and other liabilities. Common assets & liabilities which cannot be allocated to specific segments are shown as a part of net unallocable assets/liabilities.

(₹ In Lakh)

Particulars	As at 31 st March 2024				
	Yarn	Fabric	Garment	Inter Segment and Unallocated Items	Total
Segment Revenue					
External customers	51,714.88	23,205.29	21,085.44	-	96,005.61
Inter-segment	12,212.86	5,040.44	-	(17,253.30)	-
Total Revenue	63,927.74	28,245.73	21,085.44	(17,253.30)	96,005.61
Segment Expenses	61,388.01	26,348.97	22,642.18	-	1,10,379.16
Segment Results	2,539.73	1,896.76	(1,556.74)	2,879.75	2,879.75
Un-allocable Expenses					(379.83)
Other Income					48.42
Finance costs					(3,394.88)
Profit before Tax					(846.54)
Tax Expenses					(129.81)
Profit After Tax					(976.35)
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,397.32	829.88	1,199.19	-	3,426.39
Total	1,397.32	829.88	1,199.19	-	3,426.39

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(₹ In Lakh)

Particulars	As at 31 st March 2024				
	Yarn	Fabric	Garment	Inter Segment and Unallocated Items	Total
Capital Expenditures					
Allocable	16,436.20	-	184.71	-	16,620.91
Total	16,436.20	-	184.71	-	16,620.91
Segment Assets					
Allocable	45,130.58	15,284.74	14,737.29	-	75,152.61
Unallocable Other assets (net)	-	-	-	73.47	73.47
Total Assets	45,130.58	15,284.74	14,737.29	73.47	75,226.08
Segment Liabilities					
Allocable	39,312.73	13,607.09	9,151.77	-	62,071.59
Total liabilities	39,312.73	13,607.09	9,151.77	-	62,071.59

(₹ In Lakh)

Particulars	As at 31 st March 2023				
	Yarn	Fabric	Garment	Inter Segment and Unallocated Items	Total
Segment Revenue					
External customers	46,172.43	29,384.57	27,028.05	-	1,02,585.05
Inter-segment	13,851.64	3,904.45	-	(17,756.09)	-
Total Revenue	60,024.07	33,289.02	27,028.05	(17,756.09)	1,02,585.05
Segment Expenses	59,801.69	31,926.75	27,841.92	-	1,19,570.36
Segment Results	222.39	1,362.27	(813.87)	770.79	770.79
Un-allocable Expenses					(356.60)
Other Income					60.03
Finance costs					(2,309.83)
Profit before Tax					(1,835.61)
Tax Expenses					243.04
Profit After Tax					(1,592.57)
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,564.10	438.68	993.69	-	2,996.46
Total	1,564.10	438.68	993.69	-	2,996.46
Capital Expenditures					
Allocable	1,712.28	-	2,386.16	-	4,098.44
Total	1,712.28	-	2,386.16	-	4,098.44
Segment Assets					
Allocable	29,899.36	17,092.81	15,872.28	-	62,864.45
Un-allocable	-	-	-	401.39	401.39
Total Assets	29,899.36	17,092.81	15,872.28	401.39	63,265.84
Segment Liabilities					
Allocable	26,903.42	13,652.33	8,324.15	-	48,879.90
Un-allocable	-	-	-	287.39	287.39
Total liabilities	26,903.42	13,652.33	8,324.15	287.39	49,167.29

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Geographical information

- a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers in tabulated below: (₹ In Lakh)

Geography	Year ended 31 st March 2024	Year ended 31 st March 2023
India	52,853.04	59,317.97
North America	4,979.65	7,051.57
Europe	8,503.79	9,417.12
Gulf & Middle east	779.30	852.04
Far East & South east Asia	19,584.21	20,001.19
Africa	9,252.99	5,909.33
Rest of the world	52.63	35.85
	96,005.61	1,02,585.06

- b. Information regarding geographical non-current assets is as follows: (₹ In Lakh)

Geography	As at 31 st March 2024	As at 31 st March 2023
India	39,605.48	26,035.55
Outside India	-	-
	39,605.48	26,035.55

Information about major customers

There are no customer having 10% or more of total revenue.

Revenue for Products & Services

The detail of revenue from Products & Services are given below (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 March 2023
Sale of goods	93,281.27	99,765.00
Sale of services	348.50	422.73
	93,629.77	1,00,187.73

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 36 : Ratios

(₹ In Lakh)

Ratio	Numerator	Denominator	As at 31 st March 2024	As at 31 st March 2023	Variance %	Reason for variance
Current ratio (in times)	Current assets	Current liabilities less Current Maturity of Term Loan & Lease Liabilities	1.10	1.18	(6.43%)	
Debt equity ratio (in times)	Long Term Debts (Excluding Lease Liabilities)	Shareholder's equity	1.45	0.81	79.12%	Majorly due to increase in long term debts.
Debt service coverage ratio (DSCR) (in times)	Earning for Debt Service	Debt Service	1.21	1.04	16.28%	
Inventory turnover ratio (in times)	Revenue from operations	Average inventory	5.59	5.39	3.68%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	8.72	9.84	(11.38%)	
Trade payables turnover ratio (in times)	Net Purchases	Average trade payables	15.40	9.16	68.21%	Reduction in trade payables due to improved payments
Net capital turnover ratio (in times)	Revenue from operations	Average Working capital	21.77	12.81	70.01%	Reduction in utilisation of average working capital
Net profit (in %)	Net Profit after tax	Revenue from operations	(1.02%)	(1.55%)	(34.49%)	Majorly due to better profitability
Return on equity (ROE) (in %)	Net Profit after tax less Preference Dividend	Average shareholders equity	(7.17%)	(10.39%)	(31.03%)	Majorly due to better profitability
Return on capital employed (ROCE) (in %)	PBIT	Capital employed	4.24%	0.94%	350.02%	Majorly due to better profitability
Return on investment (ROI) (in %)	Income generated from investments	Average investments	37.74%	7.24%	421.11%	Majorly due to increase in investment income

Note 37: Contingent Liabilities

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 March 2023
Income tax matters in dispute	79.88	72.65
Excise / customs / service tax matters in dispute	423.23	423.23
Sales tax matters in dispute	19.52	9.34
Recall of certain DEPB benefits, in dispute	36.63	36.63
Labour cases involving claims for reinstatement, back wages etc.	170.00	185.69
GST Related cases involving tax & Interest etc.	322.68	802.67

Based on legal advice, discussions with the solicitors, professionals etc., the management believes that there are fair chances of decisions in favour of the company in respect of all the items listed above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and operations.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 38: Commitments

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 March 2023
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	1,060.45	10,419.07
Export obligations under the Export Promotion Capital Goods Scheme, remaining to be fulfilled within the specified period	15,924.64	17,573.63

Note 39: Employee Benefits

A Defined Contribution plans

The Company makes contributions towards provident fund and superannuation fund, to defined contribution retirement benefit plans for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Superannuation fund is administered by Trustees of 'Maral Overseas Limited Senior Executive Superannuation Fund'. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the employee benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The amounts recognized as expense for defined contribution plans are as follows:

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Provident fund	828.88	862.21
Superannuation fund	73.72	67.88

B Defined Benefit Plans

The Company makes annual contributions towards funding the defined benefit plans for qualifying employees and also contributes towards the insurance scheme of ICICI Prudential Life Insurance Co. Ltd. The scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary (last drawn monthly salary) payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

i) The principal assumptions used for the purpose of the actuarial valuation were as follows:

(₹ In Lakh)

Assumptions	As at 31 st March 2024	As at 31 st March 2023
Economic Assumptions		
Discount rate	7.44%	7.44%
Salary escalation	5.00%	5.00%
Demographic Assumptions		
Retirement Age	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at Ages	Withdrawal Rate (%)	
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

ii) Movement in present value of the Defined Benefit Obligation (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Present value of obligation as at the beginning of the period	2,004.15	1,894.96
Interest cost	149.11	137.57
Current service cost	213.40	194.56
Past Service Cost including curtailment Gains/Losses	115.25	-
Benefit paid	(329.27)	(134.22)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	7.56	-
Actuarial (Gain)/Loss- arising from Change in Financial Assumption	55.10	(42.00)
Actuarial (Gain)/Loss- arising from Experience Adjustment	(102.23)	(46.73)
Liability at the end of the year	2,113.07	2,004.15

iii) Movement in fair value of Plan Assets (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Fair Value of Plan Assets at the beginning of the period / year	2,031.22	1,970.93
Actual return on Plan Assets	223.71	60.30
Benefits paid	(258.50)	-
Fair value of the Plan Assets at the end of the period / year	1,996.43	2,031.22

iv) Net Asset/(Liabilities) recognized in Balance Sheet (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Present Value of the obligation at the end of the period /year	2,113.07	2,004.15
Fair value of Plan Assets at the end of the period /year	1,996.44	2,031.23
Funded (Liabilities)/Asset recognised in the Balance Sheet	(116.63)	27.08

v) Amount recognized in Statement of Profit and Loss (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Current service cost	328.65	194.56
Net Interest cost	(2.01)	(5.52)
Expense recognised in Statement of Profit and Loss	326.64	189.04

vi) Other Comprehensive Income (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Actuarial gain / (loss) for the year on Projected benefit obligation (PBO)	39.56	88.73
Actuarial gain /(loss) for the year on Plan Asset	72.59	(82.79)
Unrecognized actuarial gain/(loss) at the end of the year	112.15	5.94

vii) Description of Plan Assets: (₹ In Lakh)

Major categories of Plan Assets	As at 31 st March 2024	As at 31 st March 2023
Insurer managed fund	100%	100%

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

viii) Change in Net Benefit Obligations (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Net defined benefit liability at the start of the period/year	(27.08)	(75.97)
Acquisition adjustment	-	-
Total Service Cost	328.65	194.56
Net Interest cost (Income)	(2.01)	(5.52)
Re-measurements	(112.15)	(5.94)
Benefit paid directly by the enterprise	(70.77)	(134.22)
Net defined benefit liability at the end of the period/year	116.63	(27.08)

ix) Bifurcation of PBO at the end of year in current and non current (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current liability (Amount due within one year)	193.97	243.42
Non-Current liability (Amount due after one year)	1,919.10	1,760.72
Total PBO at the end of year	2,113.07	2,004.15

x) Sensitivity Analysis of the Defined Benefit Obligation (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
a Impact of the change in discount rate		
-Impact due to increase of 0.50 %	(92.75)	(87.18)
-Impact due to decrease of 0.50 %	101.00	93.98
b) Impact of the change in salary increase		
-Impact due to increase of 0.50 %	102.63	94.61
-Impact due to decrease of 0.50 %	(95.03)	(88.45)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

xi) The estimates of future salary increase is considered in actuarial valuation, and also considered inflation, seniority, promotion and other relevant factors.

xii) The employer 's best estimate of contribution expected to be paid during the next year is ₹302.37 Lakh

xiii) Maturity profile of Defined Benefit Obligation (₹ In Lakh)

Year	As at 31 st March 2024	As at 31 st March 2023
0 to 1 Year	193.97	243.42
1 to 2 Year	76.66	87.15
2 to 3 Year	98.41	76.08
3 to 4 Year	98.04	79.17
4 to 5 Year	97.38	74.18
5 to 6 Year	118.97	77.42
6 Year onwards	1,429.64	1,366.73

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

B.2. Defined Benefit Plans- Compensated absences (Leave Encashment)

i) The principal assumptions used for the purpose of the actuarial valuation were as follows: (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Economic Assumptions		
Discount rate	7.44%	7.44%
Salary escalation	5.00%	5.00%
Demographic Assumptions		
Retirement Age	60	60
Leave Availment Rate	5%	5%
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Ages	Withdrawal Rate (%)	
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%
Leave		
Leave Availment Rate	5.00%	5.00%
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	Nil	Nil

ii) Movement in present value of the Defined Benefit Obligation (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Present value of obligation as at the beginning of the period	433.85	398.80
Interest cost	32.28	28.95
Current service cost	136.14	133.09
Benefit paid	(206.15)	(175.28)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	7.30	-
Actuarial (Gain)/Loss- arising from Change in Financial Assumption	20.97	(7.99)
Actuarial (Gain)/Loss- arising from Experience Adjustment	45.49	56.28
Present value of obligation as at the end of the period	469.88	433.85

iii) Net Asset/(Liabilities) recognized in Balance Sheet (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Present value of obligation as at the end of the period	469.88	433.85
Fair value of plan asset	-	-
Unfunded Liabilities recognised in the Balance Sheet	(469.88)	(433.85)

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

iv) Amount recognized in Statement of Profit and Loss (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current service cost	136.14	133.09
Net Interest cost	32.28	28.95
Actuarial (gain)/loss on obligations	66.46	48.29
Expense recognised in the Statement of Profit and Loss	234.88	210.33

v) Change in Net Benefit Obligations (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Net defined benefit liability at the start of the period/year	433.85	398.80
Total Service Cost	136.14	133.09
Net Interest cost (Income)	32.28	28.95
Re-measurements	66.46	48.29
Benefit paid directly by the enterprise	(206.15)	(175.28)
Net defined benefit liability at the end of the period/year	462.58	433.85

vi) Bifurcation of PBO at the end of year in current and non current. (₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Current liability (Amount due within one year)	50.35	61.55
Non-Current liability (Amount due after one year)	419.52	372.30
Total PBO at the end of year	469.87	433.85

vii) Sensitivity Analysis of the Defined Benefit Obligation (₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
a) Impact of the change in discount rate		
-Impact due to increase of 0.50 %	(23.42)	(21.88)
-Impact due to decrease of 0.50 %	25.03	23.34
b) Impact of the change in salary increase		
-Impact due to increase of 0.50 %	25.63	24.03
-Impact due to decrease of 0.50 %	(23.71)	(22.14)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

viii) The estimates of future salary increase is considered in actuarial valuation, and also considered inflation, seniority, promotion and other relevant factors.

ix) The employer 's best estimate of contribution expected to be paid during the next year is ₹209.57 Lakh

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

x) Maturity profile of Defined Benefit Obligation (₹ In Lakh)

Year	As at 31 st March 2024	As at 31 st March 2023
0 to 1 Year	50.35	61.55
1 to 2 Year	17.91	13.49
2 to 3 Year	17.46	17.04
3 to 4 Year	29.79	16.60
4 to 5 Year	22.10	12.68
5 to 6 Year	23.20	14.19
6 Year onwards	309.05	298.31

These plans typically expose the Company to actuarial risks such as Investment risk, salary risk, discount rate risk, mortality risk, withdrawals risk.

Salary risk	Actual salary increase will increase the Plan's liability. Increase in assumption of salary increase rate in future valuations will also increase the liability.
Investment risk	If Plan is funded, then assets liabilities mismatch & actual return on investment assets is lower than the discount rate assumed at the last valuation date, can impact the liability
Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability risk	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

B.3. Defined Benefit plans- Leave Obligations (Compensated Expenses)

The leave obligations cover the Company's liability for sick and earned leave.

The amount of provision of ₹9.30 Lakh (PY ₹6.63 Lakh) is presented as current liability, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Note: 40 Related Party Disclosures

Notes :40.1 List of Related Parties as per Ind As 24 & Regulation 23 of Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015

S. No.	Name of Related Party	Nature of Relationship
A (i)	A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity.	
	Shri Shekhar Agarwal	Promoters having voting control
	Shri Shantanu Agarwal	Promoters having voting control
(ii)	A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity.	
	Shri Shekhar Agarwal	
	Smt. Shashi Agarwal	
	Shri Shantanu Agarwal	
	Smt. Shuchi Poddar	
	Smt. Alka Agarwal	

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

S. No.	Name of Related Party	Nature of Relationship
(iii)	A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.	
	Shri Ravi Jhunjhunwala	Directors of the Company
	Shri Shekhar Agarwal	
	Shri Shantanu Agarwal	
	Dr. Kamal Gupta	
	Shri Priya Shankar Dasgupta	
	Smt. Archana Capoor	
	Shri Atul Kumar Jain (resigned as CFO w.e.f. Nov. 04, 2022)	Chief Financial Officer
	Shri Manoj Gupta (appointed as CFO w.e.f. Nov. 04, 2022)	
	Shri Virendra Kumar Garg	Company Secretary-upto 15.11.2023
	Shri Avnish Maurya	Company Secretary (Appointed on 07.02.2024 and Resigned w.e.f. 19.03.2024)
	Shri Sandeep Singh	Company Secretary-Appointed w.e.f. 20.03.2024
B (i)	The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).	
		Not Applicable
(ii)	One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).	
		Not Applicable
(iii)	Associated and other entities are joint ventures of the same third party.	
		Not Applicable
(iv)	One Entity is a joint venture of a third party and the other entity is an associate of the third entity.	
		Not Applicable
(v)	The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.	
	Maral Overseas Limited senior executive superannuation	Trust
	MOL Employees gratuity fund	Trust
(vi)	The entity is controlled or jointly controlled by a person identified in A.	
	Aadi Marketing Company Private Limited	Holding more than 50 % of the Shareholding along with relatives in the Company and including KMPs.
	Agarwal Finestate Private Ltd	
	AKJ Apparels Private Limited	
	Asia Law Office	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	Bhilwara Energy Limited	
	BSL Limited	
	Captain Trade & Agencies Private Limited	
	Diplomat Leasing and Finance Private Limited	
	Essay Kalyan Nidhi Trust	
	HEG Limited	
	MG Marketing and Trading Private Limited	
	RANDR Trustee Private Limited	

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

S. No.	Name of Related Party	Nature of Relationship
	RLJ Family Trusteeship Private Limited	
	RRJ Family Trustee Private Limited	
	RSWM Limited	
	Sita Nirman Private Limited	
	SKLNJ Family Trusteeship Private Limited	
	SSSA Family Private Limited	
	Shri Shekhar Agarwal - HUF	
	Shri Shekhar Agarwal - Trust	
	Shri Shantanu Agarwal - HUF	
	Swami Vivekanand Educational Sports culture and welfare Society	
	Zoongoo Commercial Co. Private Limited	
(vii)	A person identified in A (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).	
1	Shri Shekhar Agarwal	
	Aadi Marketing Company Private Limited	
	Agarwal Finestate Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	Diplomat Leasing and Finance Private Limited	Holding more than 20 % of the Shareholding along with relatives in the Company.
	Essay Kalyan Nidhi Trust	
	MG Marketing and Trading Private Limited	
	Sita Nirman Private Limited	
	SSSA Family Private Limited	
	Swami Vivekanand Educational Sports culture and welfare Society	
	Shri Shekhar Agarwal - HUF	
	Shri Shekhar Agarwal - Trust	
2	Shri Shantanu Agarwal	
	Aadi Marketing Company Private Limited	
	Agarwal Finestate Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	Holding more than 20 % of the Shareholding along with relatives in the Company .
	Diplomat Leasing and Finance Private Limited	
	Essay Kalyan Nidhi Trust	
	MG Marketing and Trading Private Limited	
	Sita Nirman Private Limited	
	Swami Vivekanand Educational Sports culture and welfare Society	
	SSSA Family Private Limited	
	Shri Shantanu Agarwal - HUF	
(viii)	The Entity, or any member of a group of which it is part , provide key management personal service to the reporting entity of to the parent of reporting entity.	
	Not Applicable	
(ix)	Reporting entity being an associate of the other entity.	
	Agarwal Trademart Private Limited	

Note:- Hon'ble NCLT Bench Kolkata Vide order dated. 17-05-22 by sanctioned amalgamation of Apeksha Vyapar Private Limited, Pawanputra Trading Private Limited , Ultramarine Impex Private Limited with Sita Nirman Private Limited.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

40.2 Details of transactions with related parties

(₹ In Lakh)

Sr. No.	Transaction	Key Managerial Personnel & Close Members		Reporting entity being an associate of other entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ix) is able to exercise significant influence over the reporting enterprises.		Total	
		31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
1	Advance for DR Server	-	-	-	-	168.46	199.95	168.46	199.95
2	Contribution for CSR activities	-	-	-	-	42.49	44.29	42.49	44.29
3	Dividend Paid	-	48.15	-	395.20	-	178.83	-	622.18
4	Job Charges Payable	-	-	-	-	-	80.46	-	80.46
5	Job Charge Received	-	-	-	-	301.09	167.53	301.09	167.53
6	Other long-term benefits	-	-	-	-	-	-	-	-
7	Outstanding Due	-	-	-	-	1,000.00	-	1,000.00	-
8	Outstanding Receivable	-	-	-	-	148.46	100.65	148.46	100.65
9	Payment made to trust towards superannuation	-	-	-	-	117.64	61.27	117.64	61.27
10	Payment received from trust towards gratuity	-	-	-	-	261.41	-	261.41	-
11	Purchases of Material	-	-	-	-	276.25	108.13	276.25	108.13
12	Reimbursement of Expenses paid to	-	-	-	-	87.16	86.58	87.16	86.58
13	Reimbursement of Expenses recovered	-	-	-	-	1.04	2.20	1.04	2.20
14	Remuneration - Paid to Key Managerial Personnel								
	Short term employees benefit	353.21	329.85	-	-	-	-	353.21	329.85
	Post employment benefit	54.18	48.54	-	-	-	-	54.18	48.54
	Termination benefits	-	-	-	-	-	-	-	-
	Share-based payment.	-	-	-	-	-	-	-	-
15	Rent Paid	10.58	10.08	-	-	69.60	69.00	80.19	79.08
16	Sale of Material	-	-	-	-	2,199.13	1,932.96	2,199.13	1,932.96
17	Services for DR Server Services - Capex	-	-	-	-	43.34	43.34	43.34	43.34
18	Services for DR Server Services - Opex	-	-	-	-	16.73	8.06	16.73	8.06
19	Sitting Fees	21.50	23.10	-	-	-	-	21.50	23.10
20	Unsecured loan-received	-	-	-	-	1,000.00	-	1,000.00	-
	TOTAL	439.47	459.72	-	395.20	5,732.82	3,083.25	6,172.28	3,938.17

Terms & Conditions

The transactions with the related parties are made on terms and conditions similar to those prevailing in arm's length transactions. The assessment is under taken in each financial year through examining the financial position of the related party and in the market in which the related party operates and outstanding balances are unsecured.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Note 41: Financial Instruments

41.1 Capital Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The company monitors capital on the basis of following gearing ratio, which is net debt (net of cash and cash equivalents) divided by total equity plus net debt.

41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period are as follows:

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Debt (See note 'i' below) (Refer Note No. 18 & 19)	42,444.33	32,935.96
Cash and bank balances (Refer Note No. 13 & 14)	(498.62)	(714.40)
Net debt	41,945.71	32,221.56
Total equity (Refer Note No. 16 & 17)	13,153.91	14,098.55
Total equity and Net Debt	55,099.62	46,320.11
Gearing Ratio in times	0.76	0.70

Note:

- Debt is defined as long and short-term borrowings (excluding derivative, financial guarantee contracts), as described in notes Nos. 18 and 19.
- In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous year.

Note 41.2 Financial Instruments- Accounting Classification And Fair Value Measurement

41.2.1 Financial Instrument by Category

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Financial Assets		
- Measured at amortised cost		
Other financial assets (non current) (Refer Note No. 8)	3,096.28	560.46
Trade receivables (Refer Note No. 12)	12,096.64	9,911.61
Cash and cash equivalents (Refer Note No. 13)	58.37	288.49
Bank Balances other than Cash and cash equivalents (Refer Note No. 14)	440.25	425.91
Other financial assets (current) (Refer Note No. 8)	1,834.26	623.95
Loans (Refer Note No. 7)	144.58	133.30
- Measured at fair value through Profit & Loss		
Investments (Refer Note No. 11)	114.21	79.39
Forward Contracts-Derivatives (Refer Note No. 8)	10.53	80.25

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Particulars	As at 31 st March 2024	As at 31 st March 2023
Financial liabilities		
-Measured at amortised cost		
Borrowings (non-current) (Refer Note No. 18)	19,128.70	11,446.46
Borrowings (current) (Refer Note No. 18)	23,295.66	21,467.15
Trade payables (Refer Note No. 23)	3,621.05	5,198.48
Other financial liabilities (non-current) (Refer Note No. 19)	4,753.96	3,708.99
Other financial liabilities (current) (Refer Note No. 18 & 19)	4,541.03	3,607.23
- Measured at fair value through Profit & Loss		
Forward Contracts-Derivatives (Refer Note No. 19)	34.67	-

41.3 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The fair values of the financial assets and liabilities are recognised 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, other than in a forced or liquidation sale.

The following provides the fair value measurement hierarchy of Company's asset and liabilities, for determining and disclosing the fair value of financial instruments by valuation techniques, grouped into Level 1 to Level 3 as described below:

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

Level 2: Other techniques for which all the inputs have a significant effect on the recorded fair values are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Note 41.3.1 The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31st March, 2024:

(₹ In Lakh)

Particular	As at 31 st March 2024	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial Assets Measured at Amortised Cost				
Investment in equity instruments-State Bank of India	114.21	114.21	-	-
Derivative financial instruments - foreign currency forward	10.53	10.53	-	-
Financial Liabilities Measured at Amortised Cost				
Borrowings (non-current)	19,128.70	-	19,128.70	-

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31st March, 2023: (₹ In Lakh)

Particulars	As at 31 st March 2023	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial Assets Measured at Amortised Cost				
Investment in equity instruments-State Bank of India	79.39	79.39	-	-
Derivative financial instruments - foreign currency forward	80.25	-	80.25	-
Financial Liabilities Measured at Amortised Cost				
Borrowings (non-current)	11,446.46	-	11,446.46	-

Note 41.3.2 Valuation techniques used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are recognised 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.

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities measured at amortised cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit taken/given and advance to employees) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
- 3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.
- 4) The fair values of the quoted equity shares have been done on quoted price of stock exchange as on reporting date.

41.4 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

41.5 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, which comprises of 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 risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

41.5.1 Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate foreign exchange related risk exposures. Derivative financial instruments relating to a firm commitment or a highly probable forecast transaction, are marked to market at every reporting date. The company does not use forward contracts for speculative purposes.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships relating to a firm commitment given below:

(₹ In Lakh)

Particulars	Year ended 31 st March, 2024			Year ended 31 st March, 2023		
	USD	EURO	INR	USD	EURO	INR
Trade Payables	-	-	-	-	-	-
Trade Receivables	73.79	4.36	6563.12	63.59	2.86	5464.93
Less: Hedged Portion	73.79	4.36	6563.12	63.59	2.00	5393.91
Unhedged Exposure	-	-	-	-	0.86	71.02

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (USD & EURO) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below: (₹ In Lakh)

Particulars	Year ended 31 st March, 2024		Year ended 31 st March, 2023	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
INR/USD-increase/(decrease) by 1%	-	-	-	-
EURO Sensitivity				
INR/EURO-increase/(decrease) by 1%	-	-	0.01	(0.01)

41.5.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

(i) The exposure of company borrowings to interest rate changes at the end of reporting period are as follows:

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Variable rate borrowings	18,128.70	11,446.46
Fixed rate borrowings	1,000.00	-
Total borrowings	19,128.70	11,446.46

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

Particulars	Year ended 31 st March, 2024		Year ended 31 st March, 2023	
	Increase	Decrease	Increase	Decrease
Interest rates-increase/(decrease) by 100 basis points.	181.29	(181.29)	114.46	(114.46)

41.5.3 Price risks

The company's exposure to price risk arises from the investment held by the company. To manage its price risk arising from investments in marketable securities, the company has very limited exposure and is done in accordance with the company's policy. The company's major investments are actively traded in markets. Therefore no sensitivity is provided for the same.

41.6 Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- Actual or expected significant adverse changes in business;
- Actual or expected significant changes in the operating results of the counterparty;
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation;
- Significant increase in credit risk and other financial instruments of the same counterparty;
- Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The company's major exposure is from trade receivables, which are unsecured and derived from external customer. Credit risk on cash and cash equivalents is limited as the company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in quoted securities and certificates of deposit which are funds deposited with the bank for a specified time period etc. Other loans are majorly provided to the employees which have very minimal risk of loss.

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:
(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
0-90 Days	11,253.00	9,472.68
91-180 Days	105.31	137.01
181-365 Days	34.38	105.89
Above 365 Days	1,112.52	1,200.50
Total	12,505.21	10,916.08
Trade Receivables - Credit Impaired	408.57	1,004.47
Net Trade Receivables	12,096.64	9,911.61

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business.

The following table summarizes the change in the loss allowances measured using expected credit loss model (ECL):
(₹ In Lakh)

Particulars	ECL for Trade Receivables
As at 01-04-2022	997.64
Provided/(Reversal) during the year	6.83
As at 31-03-2023	1,004.47
Provided/(Reversal) during the year	(595.90)
As at 31-03-2024	408.57

41.7 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following table detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company may be required to pay.

(₹ In Lakh)

Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
31st March 2024						
Trade payables	3,621.05	-	-	-	3,621.05	3,621.05
Other financial liabilities	4,148.25	-	-	-	4,148.25	4,148.25
Borrowings	26,909.67	7,521.02	4,463.28	3,530.39	42,424.36	42,424.36
31st March 2023						
Trade payables	5,198.48	-	-	-	5,198.48	5,198.48
Other financial liabilities	3,074.13	-	-	-	3,074.13	3,074.13
Borrowings	23,885.57	7,933.19	1,094.85	-	32,913.61	32,913.61

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

41.8 Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

(₹ In Lakh)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Term Loan Facility	2,370.18	10,824.29

41.9 Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of ₹ cash flows of highly probable forecast transaction. The Company's risk management policy is to hedge around 70% to 90% of net exposure with forward exchange contract, having a maturity up to 12 months.

Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

Types of hedge and risks	Nominal value (Foreign Currency)				Carrying amount of hedging instruments (₹ in Lakh)	Maturity date	Hedge ratio	Weighted average strike price/rate (in ₹)	
	USD		EURO					USD	EURO
	No. of Outstanding Contracts	Amount (₹ in Lakh)	No. of Outstanding Contracts	Amount (₹ in Lakh)					
As at 31 st March, 2024									
Cash flow hedge-sell	68	170.27	8.00	15.00	(24.14)	April 24 - October24	1:1	83.39	91.10
Cash flow hedge-Buy	-	-	-	-	-	-	-	-	-
As at 31 st March, 2023									
Cash flow hedge-sell	54	129.71	1.00	2.00	80.25	April 23 - September 23	1:1	83.09	88.90
Cash flow hedge-Buy	-	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance

(₹ In Lakh)

Cash Flow hedge	Changes in the value of the hedging instruments recognised in other Comprehensive Income	Hedge ineffectiveness recognised in profit & loss	Amount reclassified from cash flow hedging reserve to profit & loss	Line item affected in the statement of profit and loss because of reclassification
31 st March 2024	(71.68)	-	-	-
31 st March 2023	(58.10)	-	-	-

The Movement in hedging reserve during the year ended 31st March 2024 for derivatives designated as cash flow hedge (refer note no. 17) is as follows:

(₹ In Lakh)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Balance at the beginning of the year	27.69	71.17
Change in fair value of Effective portion of Cash Flow Hedge Recognised during the year	(71.68)	(58.10)
Amount Reclassified to Profit & Loss account during the period	-	-
Tax impact on above	18.04	14.62
Balance at the end of the year	(25.95)	27.69

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (USD & EURO) to the Indian Rupees with all other variable held constant. The Impact on the other component of Equity arises from foreign forward exchange contract designated as cash flow hedge reserve is given below:

(₹ In Lakh)

Particulars	Year ended 31 st March, 2024		Year ended 31 st March, 2023	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
INR /USD-increase/(decrease) by 1%-Sell	141.98	(141.98)	107.77	(107.77)
INR /USD-increase/(decrease) by 1%-Buy	-	-	-	-
EURO Sensitivity				
INR /EURO-increase/(decrease) by 1%-Sell	13.67	(13.67)	1.78	(1.78)
INR /EURO-increase/(decrease) by 1%-Buy	-	-	-	-

Note 42. Reconciliation between the opening & closing balances in the balance sheet for Financial liabilities

(₹ In Lakh)

Particulars	Note No	As at 01 st April 2023	Cash flows	Non Cash	As at 31 st March 2024
Long term borrowings	18	9,028.04	10,028.35	(3,541.70)	15,514.69
Current Maturities of long term debts	18	2,418.42	(2,346.11)	3,541.70	3,614.01
Short term borrowings excluding current maturities of long term debts	18	21,466.79	1,828.87		23,295.66
Interest Accrued on Borrowings	19	25.69	42.04	-	67.73
Lease Liabilities	19	4,242.09	(415.27)	1,354.59	5,181.41

(₹ In Lakh)

Particulars	Note No	As at 01 st April 2022	Cash flows	Non Cash	As at 31 st March 2023
Long term borrowings	18	6,688.39	4,768.49	(2,428.84)	9,028.04
Current Maturities of long term debts	18	1,957.79	(1,968.21)	2,428.84	2,418.42
Short term borrowings excluding current maturities of long term debts	18	13,059.49	8,407.30	-	21,466.79
Interest Accrued on Borrowings	19	29.88	(4.19)	-	25.69
Lease Liabilities	19	2,642.72	(916.62)	2,516.00	4,242.09

Note 43: Recent Accounting Pronouncements

Ministry of Corporate Affairs("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 44 :

- In terms of the Master Restructuring Agreement under the CDR Scheme, if, in the opinion of the Lenders, the profitability and cash flows of the Company so warrant, the Lenders shall be entitled to right of recompense (ROR) for the reliefs and sacrifices extended by lenders within the CDR mechanism. The company has provided recompense amount of ₹ Nil in the current financial year (Previous year ₹ Nil). in the previous year ₹207.54 Lakh was paid towards ROR. Recompense amount payable as on 31.03.24 is ₹ NIL (as on 31.03.23 was ₹ Nil). As per management's best estimates

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

excess provision in the previous year towards lenders' recompense amount payable under CDR, was written back and included under the head excess provision written back and disclosed in other income (note no. 26) and clubbed with other income. Company is in process of applying exit under CDR mechanism from lenders.

2 Rights, Preferences and restriction attached to Preference Shares

The Company had only one class of Cumulative Redeemable Preference Shares (CRPS) having a par value of ₹100/-. There were two series of CRPS, carrying differential dividend coupon rates.

First series of Preference Shares carrying a dividend of 8% per annum, allotted to various banks and financial institutions, pursuant to the Corporate Debt Restructuring ('CDR') Package, were redeemed in four equal annual tranches during 2016-2019.

Second series of Preference Shares carrying a dividend of 3% per annum, allotted to promoters, against infusion of funds, pursuant to the Corporate Debt Restructuring ('CDR') Package were redeemable in March 2019. The company has taken necessary approvals from board of directors and shareholders for redemption of aforesaid Preference Shares in two equal tranches during 2019-2020. First tranche of ₹600 Lakh were redeemed in March 2019 and for second tranche which was falling due in March 2020, approval for extension of one (1) year towards redemption was taken, from the board of directors on 08th August 2019 and from shareholders in the annual general meeting held on 19th September 2019. Consequently the same were to be redeemed in March 2021. The maturity period of redemption of second tranche of aforesaid CRPS was further extended for a period of one year i.e. from March 2021 to 31 March 2022 after approval was sought from board of directors in their meeting held on 07th August 2020 and from shareholders approval was obtained in the annual general meeting held on 29th September 2020. In the 2021-22, the second tranche of aforesaid CRPS of ₹600.00 Lakh was redeemed.

The Company declares and pays dividend in Indian rupees only. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. Each holder of Preference Shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to Preference Shares. The holders of Preference Shares are entitled to a preferential right of repayment of capital on winding up vis-à-vis the holders of equity shares. The distribution will be in proportion to the number of shares held by the Preference shareholders.

The Board of Directors in meeting held on 28th October, 2021, had approved the accumulated Preference dividend on Cumulative Redeemable Preference Shares amounting to ₹377.08 Lakh and ₹185.21 Lakh aggregating to ₹562.29 Lakh to the lenders and promoters & their associates respectively after setting off the accumulated losses of the previous years. The aforesaid Preference dividend was paid within the stipulated time.

Note 45 : Dividend

In the Financial Year 2021-22, Board of Directors had recommended a dividend of ₹2/- per Equity Share of the face value of ₹10/- each amounting to ₹830.16 Lakh, which was subsequently approved by the Shareholders of the Company at the Annual General Meeting. As on 31st March 2024 out of above declared dividend ₹12.89 Lakh remained unpaid and is lying in an account with scheduled bank under unpaid/unclaimed account.

Note 46 : Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

Notes Forming Part of the Financial Statements for the year ended 31st March 2024

- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (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.
- (vi) The Company has no subsidiary, associates and joint venture downward.
- (vii) The lender of the company has not declared company as willful defaulter and also company has not defaulted in loan repayment of loan to the lenders.
- (viii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (ix) There is no transaction which are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (x) The company has used two integrated accounting softwares 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 softwares. Further, at database level log was enabled throughout the year and retention of these logs were for 3 days only.

Note 47: Approval of financial statements

The financial statements for the period ended 31st March 2024 were approved by the Board of Directors and authorises to issue on 09th May 2024.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No.000756N/N500441

Neeraj Bansal
Partner
Membership No.095960
UDIN:24095960BKEZXN6309

Place: Noida (U.P.)
Date: 9th May, 2024

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Shekhar Agarwal
Chairman & Managing Director and CEO
DIN: 00066113

Manoj Gupta
Chief Financial Officer
FCA- 500020

Shantanu Agarwal
Joint Managing Director
DIN: 02314304

Sandeep Singh
Company Secretary
FCS- 9877

Notes

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PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL



Maral Overseas Limited

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