

# **SARUP INDUSTRIES LIMITED**

## **45TH ANNUAL REPORT AND ACCOUNTS 2023-24**

**CIN: L19113PB1979PLC004014**  
**REGD OFF: - PLOT NO-141, LEATHER COMPLEX, JALANDHAR-144001,**  
**PUNJAB (INDIA)**

**GO GREEN!**

**DEAR SHAREHOLDERS,**

**YOU ARE HEREBY REQUESTED TO FURNISH YOUR E-MAIL ADDRESS TO US BY SENDING AND E-MAIL ID TO [compliancestl@gmail.com](mailto:compliancestl@gmail.com) QUOTING YOUR FOLIO NUMBER/DEPOSITORY PARTICIPANT ID AND CLIENT ID OR REGISTER YOUR E-MAIL ADDRESS WITH YOUR RESPECTIVE DEPOSITORY PARTICIPANT.**

**THEREAFTER, THE E-MAIL ADDRESSES AVAILABLE IN OUR RECORDS OR WITH YOUR DEPOSITORY PARTICIPANT SHALL BE DEEMED TO BE YOUR REGISTERED E-MAIL ADDRESS FOR SERVING NOTICES/DOCUMENTS, ETC. INCLUDING THOSE COVERED UNDER THE COMPANIES ACT, 2013 (THE ACT). IN THE EVENT OF ANY CHANGE IN YOUR E-MAIL ADDRESS FOR RECEIVING FUTURE COMMUNICATION/DOCUMENTS, YOU ARE REQUESTED TO UPDATE THE SAME WITH US OR YOUR DEPOSITORY PARTICIPANT.**

**WE SINCERELY LOOK FORWARD TO YOUR SUPPORT IN THIS INITIATIVE.**

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### **CORPORATE INFORMATION**

<p><b>BOARD OF DIRECTORS</b></p> <p>MR. SIMARJIT SINGH BAWA (MANAGING DIRECTOR)</p> <p>MR. ATAMJIT SINGH BAWA (DIRECTOR)</p> <p>MR.ASHWANI ARORA (DIRECTOR)</p> <p>MS.HARJINDER KAUR (ADDITIONAL DIRECTOR)</p> <p>MR. GURENDRA SINGH BEDI (INDEPENDENT DIRECTOR)</p> <p>MR. JAGDISH CHAND (INDEPENDENT DIRECTOR)</p> <p>MR. RAJINDER KUMAR BHATIA (INDEPENDENT DIRECTOR)</p> <p>MR. KAMAL JEET SHARMA (ADDITIONAL INDEPENDENT DIRECTOR)</p> <p>MR. AJAY KUMAR SHARMA (ADDITIONAL INDEPENDENT DIRECTOR)</p>	<p><b>AUDITORS</b> M/S Y. K. SUD &amp; CO. AMBIKA TOWERS, 4TH FLOOR, POLICE LINE ROAD, JALANDHAR-144001</p> <p><b>SECRETARIAL AUDITOR</b> M/S DINESH GUPTA &amp; CO. COMPANY SECRETARIES, RAJ CHAMBERS, 5-6 HIND SAMACHAR STREET, JALANDHAR-144001</p> <p><b>INTERNAL AUDITOR</b> M/S SAJIV MANAV JAIN &amp; ASSOCIATES 177, SHAKTI NAGAR, JALANDHAR - 144002</p> <p><b>LEGAL ADVISOR</b> V.K. SAREEN 7-NEW RAJENDRA NAGAR POLICE LINES ROAD, JALANDHAR</p> <p><b>BANKERS</b> STATE BANK OF INDIA -SME BRANCH, JALANDHAR BRANCH, PUNJAB</p> <p><b>REGISTERED OFFICE</b> PLOT NO-141, LEATHER COMPELEX JALANDHAR-144021, PUNJAB (INDIA)</p> <p><b>REGISTRAR &amp; TRANSFER AGENT</b> SKYLINE FINANCIAL SERVICES PVT LTD D-153 A, 1ST FLOOR, OKHLA INDUSTRIAL AREA PHASE – I, NEW DELHI- 110020</p> <p><b>PLANT LOCATIONS</b> (1) PLOT NO.141, LEATHER COMPLEX KAPURTHALA ROAD, JALANDHAR (2) UNIT NO V, VILL SHYAMPUR TAHLIWAL, UNA, (H.P.)</p>
<p><b>COMPANY SECRETARY</b> MRS. MEGHA GANDHI</p> <p><b>CHIEF FINANCIAL OFFICER</b> MR. ASHISH MAHENDRU</p>	



**NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **45<sup>th</sup> (Forty Fifth)** Annual General Meeting of the Members of Sarup Industries Limited will be held on **Friday, the 12th day of July, 2024 at 12.00 PM** through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility to transact the following businesses: -

**ORDINARY BUSINESS**

**Item No.1- Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024, together with the Reports of the Directors and the Auditors thereon.

**Item No.2- Retire By Rotation**

To appoint a director in place of Mr. Simarjit Singh Bawa (DIN: 00851651) who retires by rotation and being eligible, offers himself for re-election.

**SPECIAL BUSINESS**

**Item No.3- Appointment of Mrs. Harjinder Kaur (DIN: 10524745) as Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 161, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), **MRS. HARJINDER KAUR (DIN: 10524745)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27.02.2024 in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting be and is hereby appointed as Non-Executive Director of the Company ."

**Item No.4- Appointment of Mr. Kamal Jeet Sharma (DIN: 10649108) as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 161, 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), **MR. KAMAL JEET SHARMA (DIN: 10649108)**, who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 14.06.2024 in terms of Section 161(1) 149, 150, 152 of the Act and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and

Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five consecutive years with effect from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029.”

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

**Item No.5- Appointment of Mr. Ajay Kumar Sharma (DIN: 10668947) as an Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 161, 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), **MR. AJAY KUMAR SHARMA (DIN: 10668947)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14.06.2024 in terms of Section 161(1) 149, 150, 152 of the Act and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five consecutive years with effect from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029.”

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

**Item No.6- Approval for Sale of the Unit of the Company located at Plot no 141, Leather Complex, Jalandhar-144021, Punjab**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180 (1)(a) read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell Company’s unit located at Plot no 141,Leather Complex, Jalandhar-144021,Punjab to prospective buyer (s) on such terms and conditions at such time(s) and in such form and manner as the Board in its absolute discretion thinks fit for a consideration which the Board may deem appropriate in the best interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to finalize and execute necessary documents including but not limited to definitive agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to

do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to deal, negotiate and sell / transfer /lease/ dispose of above said two plots as they may in their absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as may be required, arranging delivery and execution of contracts, deeds, agreements and instruments”.

**By Order of the Board of Directors**  
**For Sarup Industries Ltd**

Sd/-  
**Simarjit Singh Bawa**  
**Managing Director**  
**Din: 00851651**

Sd/-  
**Atamjit Singh Bawa**  
**Director**  
**Din: 00807400**

**Place: Jalandhar**  
**Date: 15.06.2024**

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**NOTES**

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2022 dated January 13, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The deemed venue for forty Fifth e-AGM shall be the other Office of the Company at P O Ramdaspora, Jalandhar-144021, Punjab.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.sarupindustries.com/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2022 dated January 13, 2022.
10. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with Skyline Financial Services Pvt Ltd at <http://www.skylinerta.com/>, [info@skylinerta.com](mailto:info@skylinerta.com).
11. Further, the Company had availed of services offered by NSDL to update email addresses of shareholders of the Company having their holding with a depository participant registered with NSDL and have not registered their email addresses. Members are requested to register their email id and support the green initiative efforts of the Company.
12. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY 2024 and Notice of Forty-third e-AGM, may temporarily get themselves registered with Skyline Financial Services Pvt Ltd at <http://www.skylinerta.com/>, [info@skylinerta.com](mailto:info@skylinerta.com) for receiving the same. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.

13. In case a person becomes a member of the Company after dispatch of e-AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Thursday, 4<sup>th</sup> July 2024, such person may obtain the user id and password from Skyline by email request on info@skylinerta.com.
14. The Register of Members and Share Transfer Books of the Company will be closed from 5<sup>th</sup> July 2024 to 12<sup>th</sup> July 2024 (both days inclusive)
15. With a view to enable the Company to serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
16. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.
17. SEBI vide its notification dated 8th June 2018 as amended on 30th November 2018, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialised form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form and requesting them to dematerialise their physical holdings.
18. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
19. Those Members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 124 of the Companies Act, 2013 on the respective dates mentioned there against. Please note that as per Section 124 of the Companies Act, 2013, no claim shall lie against the Company or the aforesaid Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date the dividend became due for payment and no payment shall be made in respect of such claims.

<b>Dividend for the Financial Year ended</b>	<b>Due date for Transfer</b>
31.03.2017	28th October, 2024

20. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
21. Instructions for remote e-voting and joining the e-AGM are as follows:

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

The remote e-voting period begins on Monday, 8th July, 2024 at 10.00 AM and ends on Thursday, 11th July, 2024 at 5.00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 4th July 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 4th July 2024.

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

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





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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****



c) For Members holding shares in Physical Form.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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- 5. Password details for shareholders other than Individual shareholders are given below:**
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
  6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

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

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

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csankitgandhi@gmail.com](mailto:csankitgandhi@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto:SoniS@nsdl.co.in) or at telephone nos.: +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the [compliancestl@gmail.com](mailto:compliancestl@gmail.com).

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [compliancestl@gmail.com](mailto:compliancestl@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliancestl@gmail.com](mailto:compliancestl@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [compliancestl@gmail.com](mailto:compliancestl@gmail.com). The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. **The Results of the remote e-voting will be declared on or after the date of the AGM i.e. Friday 12<sup>th</sup> July, 2024.**
8. The declared Results, along with the Scrutinizer's Report, will be available on the Company's corporate website **[www.sarupindustries.com](http://www.sarupindustries.com)** under the section **'Investor Relations'** and on the website of NSDL; such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

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

**ITEM NO.3**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed **Mrs. Harjinder Kaur (DIN: 10524745)**, as an Additional Non-Executive Director of the Company with effect from 27<sup>th</sup> February 2024 subject to approval in shareholder meeting. In accordance with provisions of Section 161(1) and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required of the Companies Act, 2013, **Mrs. Harjinder Kaur**, who holds office up to the date of the ensuing Annual General Meeting and is eligible for appointment as a Non- Executive Director of the Company.

The Company has received a notice from a member proposing **Mrs. Harjinder Kaur** as a candidate for the office of Director of the Company

**Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI herewith given below:-**

**NAME:** - Mrs. Harjinder Kaur

**DIN:** - 10524745

**DATE OF BIRTH:** - 14/11/1979

**DATE OF FIRST APPOINTMENT IN THE BOARD:** - 27.02.2024

**QUALIFICATION, EXPERIENCE & EXPERTISE:** - She has good experience in the field of Teaching and Management.

**NUMBER OF MEETING OF THE BOARD ATTENDED DURING THE YEAR:-0**

**NO OF DIRECTORSHIP OF OTHER BOARD:-0**

**LIST OF MEMBERSHIP / CHAIRMANSHIP OF BOARD/COMMITTEES OF OTHER BOARD:** - NIL

**SHAREHOLDING IN COMPANY:-NIL.**

**RELATIONSHIP WITH OTHER DIRECTORS, MANAGER AND OTHER KEY MANAGERIAL PERSONNEL OF THE COMPANY:** - NO

**TERMS AND CONDITIONS OF APPOINTMENT OR RE-APPOINTMENT ALONG WITH DETAILS OF REMUNERATION SOUGHT TO BE PAID AND REMUNERATION LAST DRAWN BY SUCH PERSON:-** As decided by the Nomination, Remuneration committee & Board.

**JUSTIFICATION FOR CHOOSING THE APPOINTEES FOR APPOINTMENT AS INDEPENDENT DIRECTORS:** - Good and experienced Leader.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the Resolution.

Accordingly, based on recommendation of Nomination and Remuneration Committee the Board of Directors recommends the Special Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

**ITEM NO 4.**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, appointed **Mr. Kamal Jeet Sharma (DIN: 10649108)**, as an Additional Independent Director of the Company by the Board of Directors with effect from 14<sup>th</sup> June 2024 under Section 161(1) of the Companies Act, 2013 and as per the Articles of Association of the Company and as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold office from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029. Subject to the approval of the members.

The Company has received a notice from a member proposing **Mr. Kamal Jeet Sharma** as a candidate for the office of Director of the Company. **Mr. Kamal Jeet Sharma** does not hold by himself or for any other person on a beneficial basis, any shares in the Company. **Mr. Kamal Jeet Sharma** has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, **Mr. Kamal Jeet Sharma** fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Kamal Jeet Sharma** as an Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:30 am to 5:00 pm) on any working day.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of **Mr. Kamal Jeet Sharma** as an Independent Non-Executive Director for a term of five consecutive years from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029.

**Mr. Kamal Jeet Sharma** would bring with him immense experience to the Company in the areas of Management.

**Mr. Kamal Jeet Sharma** is not related to any Director of the Company.

**Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI herewith given below:-**

**NAME:** - Mr. Kamal Jeet Sharma

**DIN:** - 10649108

**DATE OF BIRTH:** - 02/08/1979

**DATE OF FIRST APPOINTMENT IN THE BOARD:** - 14.06.2024

**QUALIFICATION, EXPERIENCE & EXPERTISE:** - energetic qualified entrepreneur.

**NUMBER OF MEETING OF THE BOARD ATTENDED DURING THE YEAR:** - NA

**NO OF DIRECTORSHIP OF OTHER BOARD:-**NIL

**LIST OF MEMBERSHIP / CHAIRMANSHIP OF BOARD/COMMITTEES OF OTHER BOARD:** - NIL

**SHAREHOLDING IN COMPANY:-**NIL.

**RELATIONSHIP WITH OTHER DIRECTORS, MANAGER AND OTHER KEY MANAGERIAL PERSONNEL OF THE COMPANY:** - NO

**TERMS AND CONDITIONS OF APPOINTMENT OR RE-APPOINTMENT ALONG WITH DETAILS OF REMUNERATION SOUGHT TO BE PAID AND REMUNERATION LAST DRAWN BY SUCH PERSON:-** As decided by the Nomination, Remuneration committee & Board.

**JUSTIFICATION FOR CHOOSING THE APPOINTEES FOR APPOINTMENT AS INDEPENDENT DIRECTORS:** - earned a good exposure in management industry and immense experience in the areas of Management.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the Resolution.

Accordingly, based on recommendation of Nomination and Remuneration Committee the Board of Directors recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members.

**ITEM NO 5.**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, appointed **Mr. Ajay Kumar Sharma (DIN: 10668947)**, as an Additional Independent Director of the Company by the Board of Directors with effect from 14<sup>th</sup> June 2024 under Section 161(1) of the Companies Act, 2013 and as per the Articles of Association of the Company and as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold office from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029. Subject to the approval of the members.

The Company has received a notice from a member proposing **Mr. Ajay Kumar Sharma** as a candidate for the office of Director of the Company. **Mr. Ajay Kumar Sharma** does not hold by himself or for any other person on a beneficial basis, any shares in the Company. **Mr. Ajay Kumar Sharma** has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, **Mr. Ajay Kumar Sharma** fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Ajay Kumar Sharma** as an Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:30 am to 5:00 pm) on any working day.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of **Mr. Ajay Kumar Sharma** as an Independent Non-Executive Director for a term of five consecutive years from 14<sup>th</sup> June 2024 to 13<sup>th</sup> June 2029.

**Mr. Ajay Kumar Sharma** would bring with him immense experience to the Company in the areas of Management.

**Mr. Ajay Kumar Sharma** is not related to any Director of the Company.

**Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI herewith given below:-**

**NAME:** - Mr. Ajay Kumar Sharma

**DIN:** - 10668947

**DATE OF BIRTH:** - 28/02/1977

**DATE OF FIRST APPOINTMENT IN THE BOARD:** - 14.06.2024

**QUALIFICATION, EXPERIENCE & EXPERTISE:** - Having Experience of Management/Manager from last 28 Years.

**NUMBER OF MEETING OF THE BOARD ATTENDED DURING THE YEAR:** - NA

**NO OF DIRECTORSHIP OF OTHER BOARD:**-NIL

**LIST OF MEMBERSHIP / CHAIRMANSHIP OF BOARD/COMMITTEES OF OTHER BOARD: - NIL**

**SHAREHOLDING IN COMPANY:-NIL.**

**RELATIONSHIP WITH OTHER DIRECTORS, MANAGER AND OTHER KEY MANAGERIAL PERSONNEL OF THE COMPANY: - NO**

**TERMS AND CONDITIONS OF APPOINTMENT OR RE-APPOINTMENT ALONG WITH DETAILS OF REMUNERATION SOUGHT TO BE PAID AND REMUNERATION LAST DRAWN BY SUCH PERSON:-** As decided by the Nomination, Remuneration committee & Board.

**JUSTIFICATION FOR CHOOSING THE APPOINTEES FOR APPOINTMENT AS INDEPENDENT DIRECTORS: -** Earned a good exposure in Hotel Industries, Manager Post and management in the industry.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the Resolution.

Accordingly, based on recommendation of Nomination and Remuneration Committee the Board of Directors recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for approval of the Members.

**ITEM NO 6.**

It is informed that, the unit of the Company situated at Plot no 141, Leather Complex, Jalandhar-144021, Punjab. The manufacturing and other activities are being carried out on the Plot located at Tahliwal, UNA, Himachal Pradesh.

To reduce the burden of interest and loan on the Company, the company proposes to sell of Company's unit located at 141, Leather Complex, Jalandhar-144021, Punjab. It will reduce the borrowing cost on one hand and reduce the transportation cost from one unit to another by consolidating the production at single place at Tahliwal- Una Unit, Himachal Pradesh.

Members of the Company are further requested to note that Section 180(1) (a) of the Companies Act, 2013 mandates that the Board of Directors of a Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the Company, only with the approval of the members of the Company by way of a special resolution. The Board therefore, recommends the Special Resolution set out in **Item. No 6** of the AGM Notice for approval of the members in terms of Section 180(1)(a) of the Companies Act, 2013 to sell of Company's unit located at 141, Leather Complex, Jalandhar-144021, Punjab.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the Resolution.

**By Order of the Board of Directors**  
**For Sarup Industries Ltd**

Sd/-  
Simarjit Singh Bawa  
Managing Director  
Din: 00851651

Sd/-  
Atamjit Singh Bawa  
Director  
Din: 00807400

**Place: Jalandhar**  
**Date: 15.06.2024**

## **DIRECTOR'S REPORT**

To  
The Members

Your Directors have pleasure in presenting their **45th Annual Report** on the Business and operations of a Company and the accounts for the Financial Year ended 31<sup>st</sup> March, 2024.

### **1. FINANCIAL RESULTS**

The Company's financial performance for the year under review along with previous year figures is given hereunder:

	(Fig in `Lakh.)	(Fig in `Lakh.)
	<b>Year ended March 31st 2024</b>	<b>Year ended March 31st 2023</b>
Sales of products and services	1,156.79	914.02
Other Income	4.21	55.76
Total Income	1,161.00	969.78
Total Expenditure other than Interest and Depreciation	1,039.38	902.24
Profit before Interest, Depreciation and Tax	121.62	67.54
Depreciation and Amortization Expenses	74.22	82.43
Profit before Interest and Tax	47.40	-14.89
Finance Cost (net)	206.06	226.20
Profit before Tax	-158.66	-241.09
Provision for Current Tax	0	0
Tax expense	0	0
Provision for Deferred Tax	11.82	8.64
Net Profit	-170.48	-249.73
Adjustments in respect of prior years	0	0
Surplus brought forward	-2,674.58	-2424.85
Profit after Tax available for appropriation	-2,876.93	-2674.58
Your Directors recommend appropriation as under:		
Proposed Dividend on Equity Shares	0	0
Dividend Tax on Proposed Dividend	0	0
Transfer to General Reserve	0	0
Income Tax /TDS/ wealth Tax Provision	0	0
Surplus Carried Forward	-2,876.93	-2674.58
Total Appropriation	-2,876.93	-2674.58

### **2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

The highlights of the Company's performance are as under:

- Revenue from operations and sales has been increased this year from 914.02 Lakh to 1156.79 Lakh.

Further our Company putting more efforts to increase the sale as well as revenues of the Company.



### **3. PROPOSED TRANSFER TO GENERAL RESERVES**

This year, as per section 134(3) (j) of Companies Act, 2013 no amount has transferred to the General Reserve.

### **4. DIVIDEND**

In order to conserve the resources of the Company, the director's have decided not to declare any Dividend for the financial year 2023-24.

### **5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

- The company has reduced its borrowings from banks/financial institutions from Rs. 13.46 cr to Rs 7.72 cr in the financial year 2023-24. By the impact, the borrowing cost has been reduced from Rs.2.23 cr to Rs. 1.96 cr. In the said financial year.
- Regarding development of Multiplex cum shopping Mall, the company has signed and registered an agreement with Shalimar Corp. Lukhnow to complete the under-constructed shopping Mall. The Shalimar is approaching the financial institutions to arrange the funds to complete the said Mall as early as possible. The company has converted the under-constructed Mall having book value of Rs. 16.19 cr. from Capital work in progress to stock in trade in accordance with laws during the year 2023-24.

### **6. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There is none of the above-mentioned order(s) which impacts the going concern status and company's operations in future.

### **7. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

There is an adequate system of internal controls for the Company. The system is designed to adequately ensure 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.

The Company also carries out regular internal audits to test the adequacy and effectiveness of its internal control processes and also to suggest improvement and upgrades to the Management. The Company has disclosure controls and procedures in place that are designed to provide reasonable assurance that material information relating to Intellect is disclosed on a timely basis.

### **8. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY FOR THE COMPANY**

The Company has adopted measures concerning the development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board may threaten the very existence of the Company itself are as follows: -

- a. High competition from East European countries and other Asian countries
- b. international price fluctuation
- d. Lack of warehousing support from the government

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure "A"** and is attached to this report.

#### **10. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

#### **11. EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of annual return of the financial year 2023-24 on its website at <https://www.sarupindustries.com/>.

#### **12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 is furnished in **Annexure "B"** as Form AOC-2 and is attached to this report.

#### **13. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement that:-

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

#### **15. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review, no amount of principal or interest was outstanding on the date of balance sheet.

Company duly filed Eform DPT-3 in ROC in regard to Exempted deposits during the year.

#### **16. BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS**

##### **a) Board Meetings**

The Board of Directors of the Company met Seven (07) times during the financial year 2023-24. The details of various Board Meetings are provided in the Corporate Governance Report.

##### **b) Changes In Directors and Key Managerial Personnel**

- Ms. Lissy Jacob resigned from the post of Director w.e.f., 27.11.2023 due to personal reasons.
- Ms. Jyoti Parshad resigned from the post of chief financial officer of the company w.e.f., 28.11.2023 due to personal reasons
- Mr. Ashish Mahendru appointed as chief financial officer of the company w.e.f., 28.11.2023
- Ms. Harjinder Kaur (DIN-10524745) appointed as an Additional Director of the Company with effect from 27.02.2024.
- Mr. Rohit Rajpal (DIN: 08750443) resigned from the post of Independent Director w.e.f., 15.05.2024

##### **c) Re-Appointment**

In accordance with the provisions of the Act-

- Mr. Simarjit Singh Bawa (DIN: 00851651), Managing Director is liable to retire by rotation at this Annual General Meeting and being eligible have offers himself for re-appointment.

##### **d) Independent Directors**

The Company has received declarations from all the Independent Directors of the Company under section 149(7) of the Act, that they meet the criteria of independence as laid down under 149(6) of the Act.

##### **e) Details of Ratio of Remuneration to Directors**

The information relating to remuneration of directors as required under Section 197(12) of the Act, is given in **Annexure-C"**

##### **f) Compliance with Secretarial Standards**

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

**g) Board Committees**

The Board has constituted 3 committees which are as follows:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

**h) Board Evaluation**

As required under the provisions of Section 134(3) (p) the Board has carried out an annual performance evaluation of its own performance, and the manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in place and has been circulated to all the directors to seek their response on the evaluation of the entire Board and independent directors. The Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of such as exercise of responsibilities in a bona fide manner in the interest of the Company, striving to attend meetings of the Board of Directors/ Committees of which he/she is a member/ general meetings, participation constructively and actively in the meetings of the Board /committees of the Board, etc.

In separate meeting if Independent directors, performance of non-independent directors, the chairman of the Company and the board as a whole was evaluated.

**h). Vigil Mechanism**

The Company has established a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit committee. Employees may also report to the Chairman of the Audit Committee.

During the year under review, no employee was denied access to the Audit Committee.

**i) Related Party Transactions**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no other material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

**17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

No loans, guarantees and investments made by the company during the financial year 2023-24 exceeding limit prescribed under Section 186 of Companies act 2013.

**18. STATUTORY AUDITORS**

M/s. Y K SUD & CO., Chartered Accountants (FRN- 0000047N), was appointed as statutory auditors of the Company in 43rd Annual General Meeting until the conclusion of the 48th Annual General Meeting of the Company

#### **19 SECRETARIAL AUDITORS: -**

In terms of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), your Board appointed CS Dinesh Gupta (ICSI Membership No. F3462 and CP. No.1947 ) of M/s. Dinesh Gupta & Co. , Company Secretaries, Jalandhar, as the Secretarial Auditors of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2024 and to submit Secretarial Audit Report.

M/s Dinesh Gupta & Co. Jalandhar has risen following observation in its secretarial audit report dated-16.06.2024.

#### **Observations:-**

- 1. The Company has not maintained the Structural Digital Database Software under Regulation 3(5) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, thus, the Company has not complied with the related requirements.*
- 2. IEPF Form 1, 2 and 4 being a non -compliance from the previous financial years has yet not complied by the Company.*
- 3. Pursuant to circular no 14/2020 read with 20/2020 "All the resolutions passed in accordance with this mechanism shall be filed with the Registrar of Companies within 60 days of the meeting, clearly indicating therein that the mechanism provided herein along with other provisions of the act and rules were duly complied with during such meeting.-E-form MGT-14 if not filed by the Company with ROC with respect to this compliance.*

#### **Reply of the Board:-**

- a) The Company is under process of maintain the Structural Digital Database Software. Company is using the NSDL e-services login portal to upload all the SDD compliances.*
- b) Company is under process of filing the same and will file shortly.*
- c) Company will file the E-form MGT-14 with additional fees and will take care in the future.*

#### **20. COST AUDITORS**

The provisions relating to cost records and Cost audit is applicable to the company.

#### **20. CORPORATE GOVERNANCE**

Your Company has been complying with the as applicable provisions of Corporate Governance as stipulated in SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. A separate report on Corporate Governance along with Auditors' certificate on compliance of the as applicable Corporate Governance norms as stipulated in SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and Management Discussion & Analysis forming part of this report are provided elsewhere in this Annual Report.

The Register of Members and Share Transfer books of the company will be closed with effect from 5th July 2024 to 12th July 2024 (both days inclusive).

**21. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of the complaints received and disposed off during the financial year 2023-24:

- (a) No. of complaints received: NIL
- (b) No. of complaints disposed: NIL

**22. LISTING FEES**

The Company confirms that it has paid the annual listing fees for the year 2023-24 to Bombay Stock Exchange Limited.

**23. OTHER DISCLOSURES**

- I. There is no change in the nature of business of the Company during the year.
- II. There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- III. There was no instances of one time settlement with Banks or Financial Institutions during the year.
- IV. There is no voluntary revision, no any issue of equity shares with differential rights, issue sweat equity, ESOS etc during the year.

**23. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**By Order of the Board of Directors**  
**For Sarup Industries Ltd**

Sd/-  
**Simarjit Singh Bawa**  
Managing Director  
Din: 00851651

Sd/-  
**Atamjit Singh Bawa**  
Director  
Din:00807400

**Place: Jalandhar**  
**Date: 15.06.2024**

**ANNEXURE 'A'**

**Forming Part of the Directors' Report**

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

[Clause (m) of sub-section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014]

**A) Conservation of Energy**

**1) Energy Conservation measures undertaken: -**

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company and special efforts are being put on undertaking specific energy conservation projects like:

- I. Utilization of lights and other electrical equipments only when need arise.
- II. Optimizing chiller/ split/ package AC set to maintain space temperature @ 26 degree centigrade.
- III. Auto shutting down of systems to reduce UPS power consumption.
- IV. Any other measures as recommended by the concerned department for maximum conservation.

**2) Additional investments and proposals:**

- I. Replacement of conventional lighting with energy efficient lights to reduce lighting power consumption.
- II. Expenditure on power and fuel during the year ending 31st March, 2024 under review is Rs. 40.18 lakh.

**B) Technology Absorption**

**(i) Efforts, in brief made towards absorption:**

Induction of contemporary technology and continuous improvement projects across businesses towards reducing process variability, cycle time and wastage while enhancing manufacturing productivity.

The Company is using the modern technology in the manufacturing process. As a result there has been a marked Improvement in the quality of the products manufactured by the Company besides lowering the cost of production. The technology has been fully absorbed.

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

- (a) Development of products international quality.
- (b) New techniques and technology of production.
- (c) Provide benefits that are cost effective from both an individual and a company perspective.
- (d) Continuous and strengthened technical efforts for development and Production of wide range of shoes.

**(iv) Details of Import of Technology (imported during the last three years)**

The details of which are as follows: -

S.No.	Details of Technology Imported	Technology Import from	Year of Import	Status Implementation/ Absorption
1.	Soles/Socks	CHINA	2020-21	IN OPEARTIONS
2.	Moulds	CHINA	2020-21	IN OPEARTIONS

3.	Moulds	CHINA	2022-23	IN OPEARTIONS
	Grinderries	CHINA	2023-24	IN OPEARTIONS

**(v) Expenditure incurred on Research & Development**

S.No.	Particulars	Amount (in Lakh)
1.	Staff welfare expenses	2.35
2.	Advertisement and publicity expenses	0.65

**(vi) Foreign Exchange Earnings and Outgo**

The information relating to foreign exchange earnings and outgo is provided under Note to the Financial Statements attached herewith.

**ANNEXURE 'B'**  
**Forming Part of the Directors' Report**  
**Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship- Bawa Skin Company, a partnership firm where relatives' of promoters of M/s Sarup Industries Ltd are partners.
- (b) Nature of contracts/arrangements/transactions- Leasing of property and selling of goods.
- (c) Duration of the contracts / arrangements/transactions- NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any-For sale/purchase of footwear, leather goods, providing/receiving services, leasing and other allied goods and services.
- (e) Date(s) of approval by the Board, if any-11.02.2016
- (f) Transaction amount, during the year if any- 244.46 Lakh.

**By Order of the Board of Directors**  
**For Sarup Industries Ltd**

Sd/-  
**Simarjit Singh Bawa**  
**Managing Director**  
**Din: 00851651**

Sd/-  
**Atamjit Singh Bawa**  
**Director**  
**Din:00807400**

**Place: Jalandhar**  
**Date: 15.06.2024**



**ANNEXURE 'C'**  
**Forming Part of the Directors' Report**  
**Details of Ratio of Remuneration of Directors**

[Section 197(12), read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<b>Name of the Director</b>	<b>Ratio to the Median</b>
	NIL	3.50
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of the Directors & Key Managerial Personnel	% increase
	No Increase This Year	
(iii) the percentage increase in the median remuneration of employees in the financial year;	No Increase.	
(iv) the number of permanent employees on the rolls of company;	225	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	No Increase.	
(vi) the key parameters for any variable component of remuneration availed by the directors;	Variable Pay is in accordance with the performance of the company as well as the individual.	
(vii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per the Remuneration Policy of the Company.	

**By Order of the Board of Directors**  
**For Sarup Industries Ltd**

**Sd/-**  
**Simarjit Singh Bawa**  
**Managing Director**  
**Din: 00851651**

**Sd/-**  
**Atamjit Singh Bawa**  
**Director**  
**Din: 00807400**

**Place: Jalandhar**  
**Date: 15.06.2024**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024**

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

**To,**  
**The Members,**  
**Sarup Industries Limited**  
**141, Leather Complex,**  
**Jalandhar-144001, Punjab**

We have carried out a secretarial audit to assess the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sarup Industries Limited (hereinafter called "the Company"). This audit was performed in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances, allowing us to express our opinion on these matters.

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, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period from 1st April, 2023 to 31st March, 2024 ('the period under review') complied with the statutory provisions listed hereunder, and also that the Company has proper Board approved processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined Books, Papers, Minute Books, Forms, Returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 in accordance with the following applicable provisions

- (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 Bye-laws framed thereunder;
- (iv)** Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v)** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a)** The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
  - (b)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the period under review)

- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the period under review)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the period under review)
- (f) Securities and Exchange Board of India (Issue and Listing of Securitized Debt Instruments and Security Receipts) Regulations, 2008; (Not Applicable to the Company during the period under review)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the period under review) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the period under review)
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (To the extent applicable to the Company)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Uniform Listing Agreements for equity shares entered into by the Company with BSE Limited.

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

- 1. The Company has not maintained the Structural Digital Database Software under Regulation 3(5) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, thus, the Company has not complied with the related requirements.*
- 2. IEPF Form 1, 2 and 4 being a non -compliance from the previous financial years has yet not complied by the Company.*
- 3. Pursuant to circular no 14/2020 read with 20/2020 "All the resolutions passed in accordance with this mechanism shall be filed with the Registrar of Companies within 60 days of the meeting, clearly indicating therein that the mechanism provided herein along with other provisions of the act and rules were duly complied with during such meeting.-E-form MGT-14 if not filed by the Company with ROC with respect to this compliance.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board/Committee Meetings along with agenda and detailed notes on agenda were sent as per the provisions of the Act 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/Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board/Committees of the Board, as the case may be.

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

**For Dinesh Gupta & Co.**  
**Company Secretaries**

**Sd/-**  
**Dinesh Gupta**  
**Partner**  
**M. No. F3462, COP No. 1947**  
**UDIN: F003462F000558522**

**Date: 16.06.2024**  
**Place: Jalandhar**

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

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#### **Annexure A**

**To**  
**The Members,**  
**SARUP INDUSTRIES LIMITED**  
**CIN: L19113PB1979PLC004014**  
**141, Leather Complex,**  
**Jalandhar-144001, Punjab.**

Sir,

We have conducted the Secretarial Audit for the Financial Year 2023-2024 for the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SARUP INDUSTRIES LIMITED** (hereinafter referred to as the 'Company'). Our report of even date is to be read along with this letter.

#### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial record, standards and procedures followed by the Company with respect to secretarial compliances
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a reasonable basis for our opinion.
4. 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide reasonable basis for our opinion.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

6. Some of the books and papers were verified through online means and due efforts have been made by the Company to make available all the relevant documents and records and by the Auditors to conduct and complete the audit.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
8. The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
9. 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 Dinesh Gupta & Co.**  
**Company Secretaries**

**Sd/-**

**Dinesh Gupta**

**Partner**

**M. No. F3462, COP No. 1947**

**UDIN: F003462F000558522**

**Date: 16.06.2024**

**Place: Jalandhar**

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## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE & DEVELOPMENT**

The recent growth in Indian footwear industry has been fueled by advent of new technologies, growth of e-commerce channels and an inflow of fresh investment coupled with changing consumer perceptions wherein footwear has come to be reckoned as an expression of one's personality.

Increasing consumer preference for brands and a bent towards premium products will be facilitating growth in the forecast period for Indian footwear market. Coupled with a dynamic lifestyle, evolving purchase habits and impact of social media, rapid changes have come about in fashion trends, influencing footwear industry as well. Going forward as the situation improves, increasing demand and supply of footwear products from India and other exporting countries is expected to restore the momentum.

### **OPPORTUNITIES AND CHALLENGES**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>• <b>Research and Development.</b></li> <li>• <b>Growing international &amp; domestic market.</b></li> <li>• <b>Outsourcing</b></li> <li>• <b>Government support in various subsidy schemes</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Environmental problems.</b></li> <li>• <b>Dependence on imported machines and components</b></li> <li>• <b>Dependency on footwear sale.</b></li> <li>• <b>Marketing and Campaigns</b></li> </ul>
<b>OPPURTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• <b>Use of e-commerce indirect marketing.</b></li> <li>• <b>Increase quality, innovation, competition &amp; brand building.</b></li> <li>• <b>Growing fashion consciousness globally as well as domestic market</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Entry of multinational in domestic market.</b></li> <li>• <b>Increasing trend of E-commerce.</b></li> <li>• <b>Stricter international standards.</b></li> </ul>

**CHALLENGES:** A large section of the footwear industry still remains unorganized in nature and offers a strong price competition to those dealing in branded products, forcing them to rely on innovation and technology enabled marketing solutions. Sourcing skilled workforce in wake of increasing demand poses a real challenge across manufacturing processes. The industry operates in a complex regulatory environment. Any change in the laws and regulations governing the footwear industry may affect the business and financial performance of the industry.

### **OUTLOOK**

Overall, despite the challenging environment, the growth-story of India remains intact. India remains a preferred investment destination for FDI amidst global asset shifts towards emerging economies. Proactive and decisive measures taken by governments and policy makers will certainly help kick-off the growth bandwagon again and put economic recovery back on rails.

With footwear evolving from a functional requirement in day-today life to a symbol of fashion and style, it is necessary for the players to align their strategies to come up to the expectations of the modern consumer.

### THE CHANGING CONSUMER BEHAVIOUR

Indian consumers are also evolving with the market - habits, lifestyles, tastes and preferences. The advent of organized retailing malls and multiplexes has transformed the shopping habits and purchase behavior of the Indian consumer. There are significant changes that can be seen in the purchasing behavior of Indian consumer. The modern consumer wants his purchases to reflect his lifestyle aspiration. With rise in income & increased awareness about products and proliferation of choices, consumers have become pickier with purchases.

### ANALYSIS OF FINANCIAL CONDITION & RESULTS AND DISCUSSION ON FINANCIAL PERFORMANCE AND DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The company's sales have been increased from Rs.9.41 Cr to Rs. 11.56 Crore registering an increase of 22.85% in the financial year 2023-24 as compared to previous year 2022-23. This also results into decrease of net loss from Rs. 2.41 cr to Rs1.59 cr in said the financial year as compare to previous year.

The company has reduced its borrowings from banks/financial institutions from Rs. 13.46 cr to Rs 7.72 cr in the financial year 2023-24. By the impact, the borrowing cost has been reduced from Rs.2.23 cr to Rs. 1.96 cr. In the said financial year.

### RATIOS

S. No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023	Change	Reason of Change
a)	Current Ratio ( Number of Times)	1.65	1.08	53%	Due to increase in current Assets
	Curren Assets/ Current Liabilities				
b)	Debt Equity Ratio ( number of times)	NA	NA		Due to negative equity
	(Total Debt/Shareholders's Equity)				
c)	Debt Service Coverage Ratio ( number of times)	-0.35	-1.72	-80%	Due to decrease in losses
	(Earning available for Debt Service/ Debt Service)				
d)	Return on Equity Ratio( number of times)	-0.25	-0.43	-41%	Due to decrease in losses
	(Net profit after tax / Average Shareholding Equity)				
e)	Inventory Turnover Ratio( number of time)	0.16	0.20	-18%	Due to decrease in Raw Material Consumed
	( Raw Material consumed/Average Inventory)				
f)	Trade Receivable Turnover ( number of time)	1.21	0.99	23%	
	( Net Sales excluding export incentive / Average Trade Receivables)				
g)	Trade Payable Turnover( number of times)	0.51	0.00	51%	Due to increase in Net Purchases
	( Net purchases/ Average trade payable)				
h)	Net Capital Turnover ( number of times)	0.51	2.90	-82%	Due to increase

	( Revenue from operation/ working capital)				in Working Capital
i)	Net Profit Ratio(%)	-14.68%	-25.65%	43%	Due to decrease in sales
	( Net profit after tax/ Revenue from Operation)				
j)	Return on Capital Employed ( Number of times)	0.043	0.020	113%	Due to decrease in losses
	(Profit before Interest & Tax/ Capital Employed)				
k)	Return on Investments ( number of times)	0.01	0.01	0%	
	Return on Fixed Deposits				
<b>Notes</b>					
1	Equity =Equity Share capital + Other Equity				
2	Raw Mareial Consumed includes cost of Material consumed and change in inventories of finished goods and work in progress				
3	Inventory Includes Raw Materials and Components, Work in Progress , Finished Stock, Store and spares				
4	Working capital = Current assets lesss current liabilities				
5	Capital Employed includes shareholders equity , non current and current borrowings				

## ENVIRONMENT PROTECTION

The footwear industry aims to achieve environmental protection objectives such as waste reduction, recycling and recuperation of secondary raw materials. Environment protection is integral part for any industry. Your Company has adopted various measures in order to achieve the desired environmental level not only to comply with the Environmental Laws but also taking into consideration the Eco friendly atmosphere.

## PERFORMANCE

The Company operates in single segment i.e manufacturing of shoe and shoe upper. There has been no change during the year under review in the nature of business pursued by the Company. The Company aims to create sustainable vision to grow the business and make long-term strategic investments in various new ventures promoted by the Company.

The company's sales have been increased from Rs.9.41 Cr to Rs. 11.56 Crore registering an increase of 22.85%in the financial year 2023-24 as compared to previous year 2022-23.

The company has reduced its borrowings from banks/financial institutions from Rs. 13.46 cr to Rs 7.72 cr in the financial year 2023-24. By the impact, the borrowing cost has been reduced from Rs.2.23 cr to Rs. 1.96 cr. In the said financial year.

Regarding development of Multiplex cum shopping Mall, the company has signed and registered an agreement with Shalimar Corp. Lukhnow to complete the under-constructed shopping. The Shalimar is approaching the financial institutions to arrange the funds to complete the said Mall as early as possible. The company has converted the under-constructed Mall having book value of Rs. 16.19 cr. from Capital work in progress to stock in trade in accordance with laws during the year 2023-24.



## **RISK MANAGEMENT**

The present risks and anticipated future risks are reviewed by the management of company at regular intervals. Based on its past experiences, the management tries to remain vigilant about all prospective risks and takes suitable preventive measures to adequately safeguard its resources like men, machine & money, so that the business continues as usual even during difficult situations. Today's business environment demands that wholesalers and retailers focus more attention on minimizing risks—from closer examination of internal controls, tax positions and financial reporting practices to corporate governance, image marketing, and human resources policies and procedures.

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the Corporate Governance. As such this process is aimed at pursuing the values of both procedural and substantial fairness, transparency and accountability, which are considered key factors for managing the business. The Audit Committee of its Board of Directors, comprising of Independent Directors, also reviews the systems at regular intervals. Moreover, the Company has appointed M/s Sanjiv Manav Jain & Associates, Chartered Accountants, as its Internal Auditors and they periodically test the efficacy of the prevailing internal control systems.

## **HUMAN RESOURCES**

One of the key pillars of the Company's business is its people. The Company's HR policies and practices are built on core values of Integrity, Passion, Speed, Commitment and Seamlessness. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company is into a continuous process of providing a safe work environment for our employees and stakeholders. As on March 31, 2024.

## **CAUTIONARY STATEMENT**

Statements in this management discussion and analysis describing the Company's views about the industry, objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned as not to place undue reliance on the forward-looking statements as they speak only as of their dates. Actual results might differ substantially or materially from those expressed or implied.

## **ACKNOWLEDGEMENTS**

Your Board acknowledges, appreciates and values the unwavering efforts by the employees, workmen and staff including the Management headed by the Directors who have all worked together as a team despite the pandemic and overall challenging business environment. Your Board also appreciates the Independent Directors and the Non-Executive Directors of the Company for their contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which helps your Company to take the right decisions in achieving its business goals. Your Board also wishes to place on record their deep appreciation to the Company's employees, suppliers, customers and Government authorities for their selfless efforts in helping your Company to operate whenever permissible during the pandemic.

## **CORPORATE GOVERNANCE REPORT**

### **1. THE COMPANY'S PHILOSOPHY**

Corporate Governance is about our commitment to human values in business which translates into ethical corporate conduct. Corporate Governance is about balancing economic goals with greater responsibilities towards society and creating valuable impact with practices and policies embedded within Company's value system, management ethos, and business practices. In 'Sarup Industries', we believe that a high standard of Corporate Governance is the essence of business growth and investor confidence. The Company aims at to set the highest standards of governance, meticulously pursue them and thereby maximize value for its shareholders and fairness to its customers, employees and public at large.

### **2. BOARD OF DIRECTORS**

The Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company. The key to good corporate governance is the optimum combination of the executive and non-executive directors on the board and the extent of their independence.

**Board of Directors of the Company are**

<b>S.NO</b>	<b>FULL NAME OF DIRECTOR (S)</b>	<b>DIN/PAN</b>	<b>DESIGNATION</b>	<b>DATE OF APPOINTMENT</b>
1	Simarjit Singh Bawa	00851651	Managing Director	22/09/1995
2	Atamjit Singh Bawa	00807400	Director	01/10/2005
3	Ashwani Arora	01809365	Director	28/09/2007
4	Gurendra Singh Bedi	02442047	Independent Director	22/09/1995
5	Jagdish Chand	09294793	Independent Director	27/08/2022
6	Lissy Jacob	07510795	Director	05/05/2016
7	Rajinder Kumar Bhatia	09294777	Independent Director	27/08/2022
8	Rohit Rajpal	08750443	Independent Director	30/05/2020
9	Harjinder Kaur	10524745	Additional Director	27/02/2024

As part of its functions, Board periodically reviews all the relevant information which is required to be placed before it pursuant to Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. The meetings of the Board of Directors are normally held at its registered office of the Company. Meetings are scheduled well in advance and after adequate notice. The Board meets at least once in a quarter to review the quarterly performance and the financial results.

**Name and number of other board of directors or committees in which director is member or chairperson and Attendance of meetings:-**

FULL NAME OF DIRECTOR (S)	NO OF BOARD AND COMMITTEE IN WHICH MEMBER OR CHAIRPERSON	LISTED/UNLISTED ENTITY NAME	ATTENDANCE AT LAST AGM (SEPTEMBER 30, 2023) ATTENDED THROUGH VC/OAVM	NO. OF BOARD MEETINGS IN THE YEAR IN SARUP INDUSTRIES LIMITED		NO. OF EQUITY SHARES HELD AS ON MARCH 31, 2024
				HELD	ATTENDED	
Simarjit Singh Bawa	1	NIL	YES	10	10	161406
Atamjit Singh Bawa	NIL	NIL	YES	10	10	2106094
Ashwani Arora	NIL	NIL	YES	10	7	0
Gurendra Singh Bedi	NIL	NIL	NO	10	1	200
Jagdish Chand	NIL	NIL	NO	10	2	0
*Lissy Jacob	NIL	NIL	NO	6	0	0
Rajinder Kumar Bhatia	NIL	NIL	NO	10	10	0
Rohit Rajpal	NIL	NIL	YES	10	5	0
*Harjinder Kaur	NIL	NIL	NA	0	0	0

- \*Ms. Lissy Jacob resigned from the post of Director w.e.f., 27.11.2023 due to personal reasons.
- \*Ms. Harjinder Kaur appointed as an Additional Director of the Company with effect from 27.02.2024.

**Relationship of Directors**

- Mr. Atamjit Singh Bawa (promoter Director ) is the Father of Mr. Simarjit Singh Bawa
- Other Directors doesn't have any inter-se relationship with any director or person of the Company.

The below matrix summarizes the skills, expertise and competencies possessed by our individual directors, which are key to corporate governance and board effectiveness as on March 31, 2024:

NAME OF DIRECTORS	STRATEGY & PLANNING - BUSINESS STRATEGY AND CORPORATE MANAGEMENT	GOVERNANCE PRACTICES, SERVING THE BEST INTERESTS OF ALL STAKEHOLDERS AND DRIVING CORPORATE ETHICS AND VALUES	PRODUCTION AND PRODUCT DEVELOPMENT, QUALITY, MANAGEMENT, ENVIRONMENT & SAFETY	FINANCE, MARKETING & HUMAN RESOURCE DEVELOPMENT FINANCE, INVESTMENT HUMAN RESOURCE, MARKETING & SALES
Simarjit Singh Bawa	√	√	√	√
Atamjit Singh Bawa	√	√	√	√
Ashwani Arora	√	√		√
Gurendra Singh Bedi	√			
Jagdish Chand	√	√		
Lissy Jacob	√			
Rajinder Kumar Bhatia	√	√		
Rohit Rajpal	√	√		√
Harjinder Kaur	√			√

**Our Board of Directors met 10 times during the period under review on the following dates: -**

<b>30<sup>th</sup> May 2023</b>	<b>03<sup>rd</sup> July 2023</b>	<b>11<sup>th</sup> August 2023</b>	<b>4<sup>th</sup> September 2023</b>	<b>10<sup>th</sup> November 2023</b>
<b>25<sup>th</sup> November 2023</b>	<b>28<sup>th</sup> November 2023</b>	<b>18<sup>th</sup> December 2023</b>	<b>14<sup>th</sup> February 2024</b>	<b>27<sup>th</sup> February 2024</b>

### **Independent Directors**

All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment / reappointment have been issued to the Independent Directors which inter-alia explains the role, function, duties and responsibilities as an Independent Director of the Company.

### **Meeting of Independent Directors**

The Independent Directors meet separately at least once in a Financial Year, without the attendance of non-independent Directors and members / representatives of management of the Company. They meet to discuss and form an independent opinion on the agenda items, various other Board-related matters, identify areas where they need clarity or information from management and to annually review the performance of Non-Independent Directors, the Board as a whole and the Chairman appointed for the Board meetings.

During the Financial Year 2023-24, the Independent Directors met once on **28th November 2023**.

### **Familiarization Program**

In order to encourage active participation of Independent Directors and in order to understand the business of the Company, programs are conducted for the Independent Directors with detailed presentations covering all aspects of information that they need to possess/update. The details of the programs conducted for familiarization of Independent Directors can be accessed on the Company website.

### **3. COMMITTEES OF THE BOARD**

#### **a) Audit Committee**

The Board has constituted Audit Committee in accordance with the requirements of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. The terms of reference of Audit Committee include the powers and role stipulated in Schedule II SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

Members of the audit committee are as follows-

Sr No	Name	Designation	Category	Meetings	
				Held	Attended
1	MR. ROHIT RAJPAL	Chairman	Independent Non Executive	4	3
2	MR. ASHWANI ARORA	Member	Independent Non Executive	4	4
3	MR. RAJINDER KUMAR BHATIA	Member	Independent Non Executive	4	4

**The Audit Committee had met 4 (Four) times during the year 2023-24**

<b>30th May, 2023</b>	<b>11<sup>th</sup> August 2023</b>	<b>10<sup>th</sup> November 2023</b>	<b>14th February, 2024</b>
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The audit committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference.
- To obtain outside legal or other professional advice.
- Compliance with the accounting standards.

The Audit Committee of the Company performs the following functions:-

- Overview 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.
- Recommending the appointment/removal of auditors of the company, fixation of audit fees and approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board for approval with particular reference to:
  - i) Change, if any, in accounting policies and practices and reasons for the same.
  - ii) Major accounting entries involving estimates based on exercise of judgment by the management.
  - iii) Significant adjustments made in the financial statements arising out of audit findings.

- iv) Compliance with listing and other requirements relating to financial statements.
- v) Disclosure of any related party transactions.
- Reviewing with the management, the quarterly and yearly financial statement before submission to the Board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit Process.
- Carrying out any other function as is mentioned in the terms of references of the Audit Committee.

**Review of information**

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

**b) Nomination and Remuneration Committee**

The Board has constituted Nomination and Remuneration Committee in accordance with the requirements of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. The terms of reference of Nomination and Remuneration Committee include the powers and role stipulated in Schedule II SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

Members of the Nomination and Remuneration Committee after its reconstitution are as follows-

Sr No	Name	Designation	Category	Meetings	
				Held	Attended
1	MR. ROHIT RAJPAL	Chairman	Executive	4	3
2	MR. RAJINDER KUMAR BHATIA	Member	Independent Non Executive	4	4
3	MR. JAGDISH CHAND	Member	Independent Non Executive	4	2

**The Nomination and Remuneration Committee had met 4 (Four) times during the year 2023-24: -**

<b>30th May, 2023</b>	<b>4<sup>th</sup> September 2023</b>	<b>28<sup>th</sup> November 2023</b>	<b>27<sup>th</sup> February 2024</b>
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The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.

Performance evaluation of the Independent directors

Board evaluates the performance of Independent directors as per new SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

Remuneration Policy

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

Remuneration details

- The Managing Director paid remuneration as per the terms recommended by the Nomination and Remuneration Committee and Board of Directors of the Company and approved by the members of the Company subject to such other statutory approvals as may be necessary. Details are as follows:-

Particulars of Salary	SIMARJIT SINGH BAWA, MANAGING DIRECTOR
Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 and Value of perquisites u/s 17(2) Income-tax Act, 1961	523600.00
Total salary	<b>523600.00</b>

- The Company not paid any payment and sitting fees to non-executive Directors of the Company.
- During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors.

**c) Stakeholder's Relationship Committee**

The Board has constituted Stakeholder's Relationship Committee in accordance with the requirements of the Companies Act 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. The terms of reference of Stakeholder's Relationship Committee include the powers and role stipulated in Schedule II SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

Sr No	Name	Designation	Category	Meetings	
				Held	Attended
1	MR. RAJINDER KUMAR BHATIA	Chairman	Independent Non Executive	2	2
2	MR. ROHIT RAJPAL	Member	Independent Non Executive	2	2
3	MR. JAGDISH CHAND	Member	Independent Non Executive	2	1

**The Stakeholder's Relationship Committee had met 1 (One) time during the year 2023-24**

**28<sup>th</sup> November 2023**

The committee focuses on shareholders grievances and strengthening of investors relations. The committee specifically looks into the redressal of shareholders complaints within the purview of the guidelines issued by SEBI and Listing Agreement.

The Committee performs the following functions:

- Transfer/ transmission/ transpositions of shares.
- Dematerialization/ rematerialization of shares.
- Issue of new and duplicate share certificates.
- To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

**Name & Designation of Compliance Officer-** Ms. Megha Gandhi, Company Secretary is designated as Compliance officer of the Company.

**Shareholders Complaints & Requests-** Status of Request/Complaints during the period of 01.04.2023 to 31.03.2024.

Sr No	REQUESTS/COMPLAINTS	Received	Replied/ Resolved
1	For Change of address	0	0
2	For Revalidation of Dividend Warrants/ DD's	0	0
3	For Duplicate issue of shares	2	2
4	For Transfer of Shares/Transmission of Shares	3	3
5	SCORE complaints	0	0
6	Others	2	2
	<b>TOTAL</b>	<b>7</b>	<b>7</b>

#### **4. GENERAL BODY MEETINGS OF THE COMPANY**

Financial Year Ended	Date	Day	Time	Venue
31st March 2023	30th September 2023	Saturday	11.30 A.M	Through VideoConferencing ('VC')/Other Audio Visual Means ('OAVM') facility.
31st March 2022	30th September 2022	Friday	11.30 A.M	Through VideoConferencing ('VC')/Other Audio Visual Means ('OAVM') facility.
31st March 2021	29th September 2021	Wednesday	01:30 P.M	Through VideoConferencing ('VC')/Other Audio Visual Means ('OAVM') facility.



In 2021-22 Special Resolutions are as follows:-

- Reappointment of Mr. Simarjit Singh Bawa (DIN: 00851651) as a Managing Director of the Company for a period of further five years.

In 2020-21 Special Resolutions are as follows:-

- Appointment of MR. JAGDISH CHAND as Independent Director
- Appointment of MR. RAJINDER KUMAR BHATIA as Independent Director

## **5. MEANS OF COMMUNICATION**

All vital information relating to the Company and its performance, including quarterly results, official press releases are posted on the web site of the Company.

- The Company's web-site address is [www.sarupindustries.com](http://www.sarupindustries.com)
- The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times, and in vernacular language (Punjabi) in Nava Zmana etc.
- The quarterly results of the Company are also available on the websites of BSE Limited. The site is [www.bseindia.com](http://www.bseindia.com).

## **6. GENERAL SHAREHOLDER INFORMATION**

Date of incorporation	27th July, 1979
Registered office	Plot No 141,Leather Complex, Jalandhar – 144021
Date and Time of Annual General Meeting	Friday, the 12 <sup>th</sup> July 2024 at 12.00 PM
Deemed Venue of Annual General Meeting	P O Ramdaspora, Jalandhar-144001, Punjab

Date of Book Closure	Friday 5 <sup>th</sup> July 2024 to Friday 12 <sup>th</sup> July 2024
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<b>Financial Calendar</b>	
Financial reporting for 1st Qtr. ending June 30, 2024	End of July 2024
Financial reporting for 2nd Qtr. ending Sept 30, 2024	End of October 2024
Financial reporting for 3rd Qtr. ending Dec 31, 2024	End of January 2024
Financial reporting for 4th Qtr. ending March 31, 2025	End of May 2025

<b>Listing on Stock Exchange</b>	Shares are listed in Bombay Stock Exchange
<b>Registrar and Transfer Agents</b>	Skyline Financial Services Pvt. Ltd D-153 A, 1st Floor, Okhla Industrial Area Phase- I, New Delhi- 110020 Contact Person- Mr. Parveen Kumar, Tele: 011-26812683

<b>Scrip Code</b>	(BSE) – 514412
<b>ISIN Code</b>	(NSDL) - INE 305D0101 9

### Share Transfer

Share transfers and related operations for the Company are conducted by Skyline Financial Services Pvt. Ltd., which is registered with the SEBI as a Registrar. Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

### Stock Data

Following Table gives the monthly high and low prices and volumes of equity shares of the Company at BSE for the year ended March 31, 2024.

**For the Period: April 2023 to March 2024**

a.

Month	High	Low	No. of Shares
April 23	28.42	21.45	16,481
May 23	29.90	21.10	34,184
June 23	28.10	23.93	1,721
July 23	24.99	21.05	14,424
Aug 23	23.30	20.56	27,145
Sep 23	23.73	22.56	682
Oct 23	39.72	24.41	13,409
Nov 23	39.72	39.72	552
Dec 23	41.70	39.72	628
Jan 24	41.70	41.00	7,653
Feb 24	43.70	41.70	21,823
Mar 24	44.97	40.30	7,346

**Distribution of Shareholding as on 31st March, 2024 (Nominal Value of shares Rs 10)**

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	1473	91.66	1672020.00	5.14
5001 To 10,000	52	3.24	404440.00	1.24
10001 To 20,000	33	2.05	458280.00	1.41
20001 To 30,000	13	0.81	332770.00	1.02
30001 To 40,000	8	0.50	270360.00	0.83
40001 To 50,000	5	0.31	237440.00	0.73
50001 To 1,00,000	8	0.50	650550.00	2.00
1,00,000 and Above	15	0.93	28498140.00	87.62
<b>Total</b>	<b>1607</b>	<b>100.00</b>	<b>32524000.00</b>	<b>100.00</b>

**Shareholding Pattern as on 31st March 2024**

Category of Shareholders	No. of Shareholders	No. of fully paid up equity shares held	Shareholding as a %
(A) Promoter & Promoter Group	3	24,18,500	74.36
(B) Public	1589	8,33,900	25.64
<b>Total</b>	<b>1592</b>	<b>32,52,400</b>	<b>100.00</b>

**Dematerialization of shares & liquidity as on 31st March, 2024.**

	<b>Number of shares</b>	<b>% of Total Issued Cap.</b>
Shares held in dematerialized form in CDSL	892278	27.434%
Shares held in dematerialized form in NSDL	2250010	69.180%
Shares held in Physical	110112	3.386%
<b>Total</b>	<b>3252400</b>	<b>100%</b>

## **7. COMMUNICATION ADDRESS**

### **Location Address**

Sarup Industries Limited, Plot No 141, Leather Complex, Jalandhar- 144021, Punjab (INDIA)

Ph: 0181-5021037, E mail: [compliancestl@gmail.com](mailto:compliancestl@gmail.com).

### **Address for Correspondence:**

In line with the requirement of the Listing Regulation, Company has designated an email ID [compliancestl@gmail.com](mailto:compliancestl@gmail.com) exclusively for the purposed of registering complaints by investors. The Shareholders may address their correspondence to:

### **Company Office**

Megha Gandhi, Company Secretary  
Sarup Industries Limited  
141- Leather Complex,  
Jalandhar-144021, Punjab  
Phone Nos: 0181-4059647  
Email: [compliancestl@gmail.com](mailto:compliancestl@gmail.com)

### **Registrars and Transfer Agent**

Skyline Financial Services Pvt. Ltd.  
D-153 A, 1st Floor, Okhla Industrial Area  
Phase- I, New Delhi- 110020  
Phone No: 011-26812683  
E mail: [parveen@skylinerta.com](mailto:parveen@skylinerta.com)

## **8. OTHER DISCLOSURES**

### **a) Materially significant related party transaction that may have potential conflict of interests of Company at large**

Related party Transactions are defined as transfer of resources, service or obligations between a company and related party, regardless of whether a price is charged.

Necessary disclosures under the Accounting Standards 18 relating to the related Party transactions form part of the accounts for the year 2023-24

Please refer this link for read the policy on related party transaction  
[sarupindustries.com/financials/related-party-policy.pdf](http://sarupindustries.com/financials/related-party-policy.pdf)

### **b) Whistle blower policy**

The company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

Please refer this link for read the whistle blower policy  
[sarupindustries.com/financials/whistle\\_blower\\_policy.pdf](http://sarupindustries.com/financials/whistle_blower_policy.pdf)

### **c) Details of non-compliance and Penalties**

- In 2021-22 - Penalty of Rs. 2360/- was levied on the Company by BSE Limited for the delay in filing of shareholding pattern under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In 2022-23- Company paid Annual Listing Fees for 2022-23 with interest of Rs 10620/- due to delay in payment.

**d) Disclosure of accounting treatment in preparation of financial statements**

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

**e) Whistle blower policy**

The company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

Please refer this link for read the whistle blower policy  
[sarupindustries.com/financials/whistle\\_blower\\_policy.pdf](http://sarupindustries.com/financials/whistle_blower_policy.pdf)

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

- a. number of complaints filed during the financial year -NIL
- b. number of complaints disposed of during the financial year -NIL
- c. number of complaints pending end of the financial year –NIL

**g) Recommendations of the committees**

All the recommendations given by the committees to the board has been accepted by the board of directors.

**h) Fee paid by the Company to the statutory auditor.**

Details of the fees paid by the Company to the statutory auditor for all his services are given in the attached Financial Statements.

**i) Compliance of Mandatory and Non-Mandatory Requirements**

The Company has complied with all the mandatory requirements of relevant regulations and schedules of the Listing Regulations, relating to Corporate Governance. In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements i.e.

Regulation 27(1) read with Part E of Schedule II of the Listing Regulations:

**i. Modified opinion(s) in the audit reports**

The Auditors of the Company have issued Audit Reports with unmodified opinion on the financial statements for the year ended March 31, 2024.

**ii. Reporting of Internal Auditors**

Internal Auditors directly report to the Audit Committee.

**j) Declaration by Managing Director**

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2024, is annexed to the Corporate Governance Report.

**k) Auditor's Certificate on Corporate Governance:**

The auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Directors' Report

To,  
The Members  
Sarup Industries Limited

**Sub-Declaration regarding compliance with the Code of Conduct by Board Members and Senior Management personnel**

This is to certify that

- The Code of Conduct has been laid down for all the Board Members and Senior Management and other employees of the Company.
- The Code of Conduct has been posted on the website of the Company.
- The Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year 2023-24.

Date: 15.06.2024  
Place: Jalandhar

Sd/-  
SIMARJIT SINGH BAWA  
Managing Director (Din:-00851651)

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**AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CHAPTER IV OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**AUDITORS CERTIFICATE**

To The Member of  
SARUP INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by SARUP INDUSTRIES LIMITED for the year ended 31st March, 2024 as stipulated in Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India. We have to state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Investor's Grievance Committee.

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

For YK Sud & Co  
Chartered Accountants  
(Firm Registration No. 0000047N)  
Sd/-  
Yoginder Kumar Sud  
Prop  
Membership No.: 016875

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of**

**SARUP INDUSTRIES LIMITED**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the Financial Statements of SARUP INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss, (*statement of changes in equity*) and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit/loss, (*changes in equity*) and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Emphasis of Matter**

We draw attention to:

- a) Note no 2.9 of the accompanying Ind AS financial statements which describes that Board Resolution passed in Board Of Directors meeting Dt. 30.05.2023, wherein it has been decided by the Board to convert the Capital WIP (Mall under Construction) at Jalandhar, amounting Rs. 1619.63 Lakhs/- to Stock in Trade. Due to this conversion, Inventories as at 31.03.2024 includes Rs. 1619.63 Lakhs /- transferred on account of conversion of Capital WIP (Mall under construction) to Stock in Trade. Since the Capital WIP has been transferred to Stock in Trade, therefore there is no Capital WIP as at 31.03.2024.
- b) Note no 2.16 of the accompanying Ind AS financial statements which describes that Out of the total interest paid, amounting to Rs. 195.79 Lakhs, Rs. 92.94 Lakhs has been paid to the Related parties.

Our opinion is not modified in respect of the above matters.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the Board's Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report, but does not include the financial statements and auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

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 in the audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 misstatement, 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 Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in
  - Planning the scope of our audit work and in evaluating the results of our work; and
  - 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the



“Annexure A” statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- A. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.]
  - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - d) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us].
  - e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 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”

- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
  - a) The Company does not have any pending litigations which would impact its financial position.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There were no amounts transferred to the Investor Education and Protection Fund by the Company during the year.
  - d) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or 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
  - e) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - f) Based on such audit procedures which we have 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) contain any material misstatement.

- g) The company has not declared or paid any dividend during the year is in accordance with section 123 of the Companies Act 2013”, Hence clause not applicable.

**FOR YK SUD & CO**  
**CHARTERED ACCOUNTANTS**  
**(Firm Registration No. 0000047N)**  
**Sd/-**  
**YOGINDER KUMAR SUD**  
**Prop**  
**Membership No.: 016875**  
**UDIN:- 24016875BKGUCQ5520**

**Place: Jalandhar**  
**Dated: 30-05-2024**

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**Annexure ‘A’ to the Independent Auditor’s Report on the Financial Statements of SARUP INDUSTRIES LIMITED for the year ended 31 March 2024**

The Annexure referred to in our Independent Auditors' Report to the members of SARUP INDUSTRIES LIMITED on the financial statements for the year ended 31st March 2024, we report that

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has intangible asset.  
(b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of 3 to 5 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
(c) Based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.  
(d) The Company has not revalued its property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.  
(e) No proceedings have been initiated or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) The inventories have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.  
(b) According to the information and explanations given to us, the Company has been sanctioned/ renewed working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from bank(s) on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements filed by the Company with the bank(s) are reconciled with the audited books of account of the Company of the respective quarters.

3. The Company has not made any third-party investment or provided any third-party 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 during the year
4. According to the information and explanations given to us, there is no loan to any director including entities in which the directors are interested. So, the provisions of section 185 and 186 of the Act, in respect of the said loans and advances given, investments made, guarantees & securities given are not applicable to the Company.
5. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from public.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
7. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) The Company has not any disputed Liabilities, which not provided as expense in the accounts.
8. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been utilised during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.

10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

11. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 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 up to the date of this report.

(c) There was no whistle blower complaint received by the Company during the year.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

15. In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. The Company is not required to be registered under section 45-A of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order are not applicable.

17. The Company has incurred cash losses of Rs. 84.43 lakhs during the financial year covered by our audit and Rs. 158.66 lakhs during the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

21. There has been no qualification or adverse remark by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the financial statements.

**FOR YK SUD & CO**  
**CHARTERED ACCOUNTANTS**  
**(Firm Registration No. 0000047N)**

**Sd/-**

**YOGINDER KUMAR SUD**

**Prop**

**Place: Jalandhar**  
**Dated: 30-05-2024**

**Membership No.: 016875**  
**UDIN:- 23016875BGWNWZ1095**

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**Annexure 'B' to the Independent Auditor's Report on the Financial Statements of SARUP INDUSTRIES LIMITED for the year ended 31 March 2024**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**Opinion**

We have audited the internal financial controls with reference to financial statements of SARUP INDUSTRIES 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.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies/the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that: -

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

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**FOR YK SUD & CO**  
**CHARTERED ACCOUNTANTS**  
**(Firm Registration No. 0000047N)**  
**Sd/-**  
**YOGINDER KUMAR SUD**  
**Prop**  
**Membership No.: 016875**  
**UDIN:- 23016875BGWNWZ1095**

**Place: Jalandhar**  
**Dated: 30-05-2024**

**SARUP INDUSTRIES LIMITED**  
**ANNUAL REPORT 2023-24**

**Sarup Industries Limited**  
**Balance Sheet as at March 31, 2024**

(Amount in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	702.23	832.97
(b) Capital work-in-progress	3		1,602.76
(c) Intangible Assets	4		-
(d) Investment in an associate and a joint venture	5		-
(e) Financial Assets			-
(i) Investments	6	28.95	28.95
(ii) Loans	6		
(iii) Other non-current financial assets	6		-
(f) Prepayments	7		-
(g) Income tax assets (net)	8	38.64	50.77
(h) Other non-current assets	6	68.11	67.66
<b>(2) Current assets</b>			
(a) Inventories	10	4,293.94	2,442.81
(b) Financial Assets			
(i) Investments	6		
(ii) Trade Receivables	11	946.86	959.11
(iii) Cash and cash equivalents	12	71.60	38.29
(iv) Loans	9	394.71	378.26
(v) Other current financial assets	6		
(c) Prepayments	7		
(d) Other current assets	9		
(e) Non-current assets held for sale	13		
<b>Total Assets</b>		<b>6,545.04</b>	<b>6,401.57</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity Share capital	14	325.24	325.24
(b) Other Equity	15	(1,102.84)	(900.49)
<b>II LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	3,633.54	3,149.77
(b) Long-term provisions	17	235.25	278.38
(c) Deferred tax liabilities (Net)	18	-	-
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Secured Liabilities	16	663.68	796.80
(ii) Trade Payables	19	1,532.55	1,535.88
(iii) Other current financial liabilities	20	206.65	206.65
(b) Other current liabilities	21	1,050.97	1,009.34
(c) Short-term provisions	17		
<b>Total Equity and Liabilities</b>		<b>6,545.04</b>	<b>6,401.57</b>

The accompanying notes 1 to 43 are an integral part of the financial statements.

As per our report of even date

**For Y. K. Sud & Co.**  
ICAI Firm Registration No:  
Chartered Accountants

Sd/-  
Y.K. Sud  
Prop  
Membership No. 016875

Place: Jalandhar  
Date: 30.05.2024

**For and on behalf of the Board of Directors of  
Sarup Industries Limited**

Sd/-  
Simarjit Singh Bawa  
Managing Director  
(DIN -00851651)

Sd/-  
CS Megha Gandhi  
Company Secretary  
(PAN-BJAPM1989A)

Sd/-  
Atamjit Singh Bawa  
Director  
(DIN - 0807400)

Sd/-  
CA Ashish Mahendru  
Chief Financial Officer  
(PAN-EPMPM2492K)

**Sarup Industries Limited**  
**Statement of Profit and Loss for the year ended March 31, 2024**

(Amount in INR Lakhs , unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>I INCOME</b>			
(a) Revenue From Operations	22	1,156.79	914.02
(b) Other Income	23	4.21	55.76
<b>Total Income (I)</b>		<b>1,161.00</b>	<b>969.78</b>
<b>II EXPENSES</b>			
(a) Cost of raw material and component Consumed	24	529.80	381.91
(b) Purchases of traded goods	25	-	-
(c) Changes in inventories of finished goods, work in progress and	25	21.66	129.17
(d) Employee Benefits Expense	26	313.30	277.93
(e) Finance Costs	28	206.06	226.20
(f) Depreciation and amortization expense	27	74.22	82.43
(g) Other Expenses	29	174.63	113.23
<b>Total expenses (II)</b>		<b>1,319.66</b>	<b>1,210.87</b>
<b>III Profit before tax (I-II)</b>		<b>(158.66)</b>	<b>(241.09)</b>
<b>IV Tax expense:</b>			
(1) Current Tax			
-For the current period	18		
-Adjustments for tax relating to earlier years	18		
(2) Deferred Tax	18	11.82	8.64
<b>V Profit for the period (III-IV)</b>		<b>(170.48)</b>	<b>(249.73)</b>
<b>VI Other Comprehensive Income / (loss)</b>	30	-	-
<b>VII Total Comprehensive Income for the year (V-VI)</b> <b>(Comprising Profit (Loss) and Other Comprehensive</b>		<b>(170.48)</b>	<b>(248.73)</b>
<b>VIII Earnings per equity share[face value of share Re10 (March 31,</b> <b>Basic &amp; diluted EPS ( In INR)</b>	31	-5.24	-7.68

The accompanying notes 1 to 43 are an integral part of the financial statements.

As per our report of even date

**For Y. K. Sud & Co.**

ICAI Firm Registration No:

Chartered Accountants

Sd/-

Y.K. Sud

Prop

Membership No. 016875

Place: Jalandhar

Date: 30.05.2024

**For and on behalf of the Board of Directors of**  
**Sarup Industries Limited**

Sd/-

Simarjit Singh Bawa

Managing Director

(DIN -00851651)

Sd/-

CS Megha Gandhi

Company Secretary

(PAN-BJAPM1989A)

Sd/-

Atamjit Singh Bawa

Director

(DIN - 0807400)

Sd/-

CA Ashish Mahendru

Chief Financial Officer

(PAN-EPMPM2492K)



**SARUP INDUSTRIES LIMITED**  
**ANNUAL REPORT 2023-24**

<b>Sarup Industries Limited</b>		
<b>Cash Flow Statement for the year ended March 31, 2024</b>		
<b>(Amount in INR Lakhs , unless otherwise stated)</b>		
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Cash Flow from Operating Activities</b>		
<b>Profit AfterTax</b>	<b>(170.48)</b>	<b>(249.73)</b>
Non-cash adjustment to reconcile profit before tax to net cash flows:		-
Depreciation and amortization expense	74.22	82.43
Loss on Sale of Property, plant and equipment and Intangible assets (net)	-	-
Property, plant and equipment Scrapped/Written Off	-	-
Interest Income	-	-
Interest expense (including unwinding of discount on warranty and lease obligation)	195.79	222.89
Provision on loans & advances created /(written back)	-	-
Provision for doubtful debts created/(written back)	-	-
Fair value (gain)/loss on Investment (net)	-	-
Gain on sale of investments (net)	-	-
Unrealised foreign exchange (gain)/loss (net)	-	-
Mark to Market (gain)/loss on Forward Contracts	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>99.53</b>	<b>55.59</b>
<b>Movement in working capital:</b>		
Increase/(decrease) in Provisions	(43.13)	(52.46)
Increase/(decrease) in Trade payables	(3.33)	119.80
Increase/(decrease) in Other financial liabilities	-	-
Increase/(decrease) in Other liabilities	40.55	(20.91)
Increase /(decrease in Borrowings	-	-
Decrease/(increase) in Loans	(16.45)	8.62
Decrease/(increase) in Other assets	23.49	8.36
Decrease/(increase) in Investments	-	-
Decrease/(increase) in Secured Liabilities	-	-
Decrease/(increase) in Inventories	(231.49)	109.70
Capital WIP converted into Stock in Trade	1,619.64	-
Decrease/(increase) in Trade receivables	12.25	(63.23)
<b>Cash generated from operations</b>	<b>1,402</b>	<b>109.88</b>
Direct Taxes Paid (net of refunds)	-	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1,501</b>	<b>165.47</b>
<b>Cash Flow from Investing Activities</b>		
Interest Received	-	-
Purchase of property, plant and equipment, intangible assets and CWIP including capital advance	(2.98)	(0.38)
Proceeds from sale of property, plant and equipment including Intangible assets		
Capital WIP converted into Stock in Trade	(1,619.64)	-
Purchase of Investments	-	-
Sale of Investments	-	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,623)</b>	<b>(0.38)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long term borrowing	483.77	62
Net increase /( Decrease) in working capital	(133.12)	(22.39)
Dividend Paid (Including Corporate Dividend Tax)	-	-
Interest/ Charges Paid	(195.79)	(222.89)
<b>Net Cash used in Financing Activities (C)</b>	<b>155</b>	<b>(183.73)</b>
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	33.31	(18.64)
Cash and cash equivalents at the beginning of the year	38.29	56.92
<b>Cash and cash equivalents at the end of the year</b>	<b>71.60</b>	<b>38.29</b>
<b>Components of cash and cash equivalent</b>		
Cash on hand	1	0.81
Cheques/draft on hand	-	-
With banks -on current account	27	28.15
- on deposit account	44	9.33
<b>Total cash and cash equivalent (refer note 12)</b>	<b>71.60</b>	<b>38.29</b>
<p>The accompanying notes 1 to 43 are an integral part of the financial statements.</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p><b>For Y. K. Sud &amp; Co.</b> ICAI Firm Registration No: Chartered Accountants</p> <p>Sd/- Y.K. Sud Prop Membership No. 016875</p> <p>Place: Jalandhar Date: 30.05.2024</p> </div> <div style="width: 35%;"> <p><b>For and on behalf of the Board of Directors of Sarup Industries Limited</b></p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Sd/- Simarjit Singh Bawa Managing Director (DIN -00851651)</p> <p>Sd/- CS Megha Gandhi Company Secretary (PAN-BJAPM1989A)</p> </div> <div style="width: 45%;"> <p>Sd/- Atamjit Singh Bawa Director (DIN - 0807400)</p> <p>Sd/- CA Ashish Mahendru Chief Financial Officer (PAN-EPMPM2492K)</p> </div> </div> </div> </div>		

Notes forming part of the Financial Statements	
Note	Particulars
<b>1 Corporate information</b>	The financial statements comprises financial statement of SARUP INDUSTRIES LIMITED for the year ended 'March 31st, 2023. The company is a public limited company domiciled in India and was incorporated under the 'provisions of companies Act, 1956 in 1979. The company is listed on the Bombay Stock Exchange Limited(BSE). The registered office of the Company is located at 141 Leather complex Jalandhar(Punjab).
<b>2 Significant accounting policies</b>	
<b>2.1 Basis of accounting and preparation of financial statements</b>	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention . The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
<b>2.2 Use of estimates</b>	The preparation of the financial statements in conformity with Indian GAAP 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 / materialise.
<b>2.3 Inventories</b>	Inventories are valued at the lower of cost (on FIFO ) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. As per Board Resolution passed in Board Of Directors meeting Dt. 30.05.2023, wherein it has been decided by the Board to convert the Capital WIP (Mall under Construction) at Jalandhar, amounting Rs. 16,19,63,891/- to Stock in Trade. Due to this conversion, Inventories as at 31.03.2024 includes Rs. 16,19,63,891/- transferred on account of conversion of Capital WIP (Mall under constrution) to Stock in Trade.
<b>2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)</b>	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>2.5 Cash flow statement</b>	Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>2.6 Depreciation and amortisation</b>	For the year 2023-24 'Depreciationon on each asset has been provided on WDV Method as per useful lives prescribed in Schedule II to the Companies Act, 2013 .
<b>2.7 Revenue recognition</b>	<p><u>Sale of goods</u></p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales doesn't include GST .</p> <p><u>Income from services</u></p> <p>Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.</p> <p>Revenues from maintenance contracts are recognised pro-rata over the period of the contract.</p>
<b>2.8 Other income</b>	Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.
<b>2.9 Tangible fixed assets</b>	<p>Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.</p> <p>Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.</p>



**Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest. As per Board Resolution passed in Board Of Directors meeting Dt. 30.05.2023, wherein it has been decided by the Board to convert the Capital WIP (Mall under Construction) at Jalandhar. During the year, the company has converted capital work-in-progress (CWP) asset, specifically the Mall of Jalandhar amounting to Rs.16,19,63,891 into stock in trade. The conversion of the Capital Work In Progress into stock in trade took place on 30.05.2023. The asset was valued at its Book value amounting to Rs. 16,19,63,891. As a result of this conversion, the financial statements have been adjusted accordingly. The Capital Work in progress is now transferred to stock in trade, and its carrying value has been reclassified from CWIP to inventory. Since the Capital WIP has been transferred to Stock in Trade, therefore there is no Capital WIP as at 31.03.2024. The Company have ensured compliance with all applicable legal and regulatory requirements in relation to this conversion and all accounting treatments have been carried out in accordance with the applicable accounting standards.

**2.10 Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Refer Note 2.21 for accounting for Research and Development Expenses.

**2.11 Foreign currency transactions and translations**

**Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement of foreign currency monetary items at the Balance Sheet date**

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

**Treatment of exchange differences**

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

**Accounting of forward contracts**

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

Refer Notes 2.26 and 2.27 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

**2.12 Government grants, subsidies and export incentives**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

**2.13 Investments**

Long-term investments (excluding investment properties), are carried individually at cost. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

**2.14 Employee benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

**Defined contribution plans**

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

**Defined benefit plans**

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.



	<p><u>Short-term employee benefits</u></p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :</p> <p>(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and</p> <p>(b) in case of non-accumulating compensated absences, when the absences occur</p> <p><u>Long-term employee benefits</u></p> <p>Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.</p> <p><b>2.15 Employee share based payments</b></p> <p>The Company formulated no Employee Stock Option Schemes (ESOS) .</p> <p><b>2.16 Borrowing costs</b></p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p> <p>Out of the total interest paid, amounting to Rs. 1,95,78,659, Rs. 92,94,440/- has been paid to the Related parties. The disclosure of the same has also been given in the Related Party Transactions (refer note no. 35)</p> <p><b>2.17 Segment reporting</b></p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.</p> <p>Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.</p> <p>Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".</p> <p><b>2.18 Leases</b></p> <p>Company has not given any of its property on lease.</p>
	<p><b>2.19 Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p>
	<p><b>2.20 Taxes on income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>



<b>2.21 Research and development expenses</b>	Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.
<b>2.22 Joint venture operations</b>	The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Joint Venture Operations which are accounted on the basis of the audited accounts of the Joint Ventures on line-by-line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements. At present the company has not entered in any joint venture agreement.
<b>2.23 Impairment of assets</b>	The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.
<b>2.24 Provisions and contingencies</b>	A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.
<b>2.25 Provision for warranty</b>	The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years. As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.
<b>2.26 Hedge accounting</b>	The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.
<b>2.27 Derivative contracts</b>	The Company entered in no derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.  Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.  All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.
<b>2.28 Share issues expenses</b>	Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.
<b>2.29 Insurance claims</b>	Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.
<b>2.30 Service tax input credit</b>	
<b>2.30 GST/Service Tax /Excise/</b>	Service tax input credit/ Excise / GST is accounted for in the books in the period in which the underlying service/ goods received is accounted and when there is no uncertainty in availing / utilising the credits.

**Statement of changes in equity for the year ended March 31, 2024**  
(Amount in INR Lakhs , unless otherwise stated)

Particulars	Equity Share capital (1)	Attributable to the equity shareholders					Total equity (1+2)
		Retained Earnings	Security Premium	General reserve	Capital Reserve	Total other equity (2)	
As at April 01, 2023	325.24	(2,674.58)	273.45	1,470.28	30.36	(900.49)	(575.25)
Changes in Equity Share Capital due to prior Period errors							
Restated Balance as at 31.03.2023	325.24	(2,674.58)	273.45	1,470.28	30.36	(900.49)	(575.25)
Profit for the year	-	(170.48)	-	-	-	(170.48)	(170.48)
Dividend paid for the year	-	-	-	-	-	-	-
Tax on interim equity dividend	-	-	-	-	-	-	-
Transferred to general reserve	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-
Other Comprehensive income / (loss)	-	-	-	-	-	-	-
Re-measurement of defined benefit obligation, net of tax	-	-	-	-	-	-	-
Transferred to general reserve	-	-	-	-	-	-	-
As at March 31, 2024	325.24	(2,845.05)	273.45	1,470.28	30.36	(1,070.97)	(745.73)

**3. Property, plant and equipment ("PPE") and Capital Work in progress ("CWIP")**

(Amount in INR Lakhs , unless otherwise stated)

Particulars	Leasehold Land*	Free hold Land	Building - Factory*	Building - Others*	Plant & machinery	Furniture and fittings	Office equipments	Lease Hold Improvements	Vehicles	Total	Capital work in progress
Cost											
As at March 31, 2023	112.87	229.35	378.83	241.65	2,739.20	148.75	67.45	9.98	31.34	3,959.40	1,602.76
Additions	-	-	-	-	1.64	-	1.33	-	-	2.98	-
Disposals/ written off	-	16.88	-	-	-	-	-	-	-	16.88	1,602.76
Transferred from CWIP	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	112.87	212.48	378.83	241.65	2,740.84	148.75	68.78	9.98	31.34	3,944.51	0
Depreciation											
As at March 31, 2023	-	-	295.38	119.44	2,522.34	138.27	56.79	9.56	27.27	3,169.06	-
Charge for the year	-	-	12.61	-	59.80	0.97	0.24	0.19	0.43	74.22	-
Disposals/ written off	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	307.99	119.44	2,582.14	139.24	57.02	9.75	27.70	3,243.28	-
Net book											
As at March 31, 2024	112.87	212.48	70.84	122.21	158.70	9.51	11.76	0.23	3.64	702.23	0
As at March 31, 2023	112.87	229.35	83.45	122.21	259.48	10.48	10.66	0.41	4.06	832.97	1,602.76

\*The factory building and other buildings are constructed on the Company's freehold land as well as land obtained under long term leases. Management has obtained necessary extension commitments

\*The Capital Work in progress is now classified as stock in trade, and its carrying value has been reclassified from CWIP to inventory.

Capitalized borrowing costs

No borrowing costs are capitalized on any item of property, plant & equipments.

Asset under construction

Ageing of Capital work in progress

Since the Capital WIP has been transferred to Stock in Trade , therefore there is no Capital WIP as at 31.03.2024

	31.03.2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	more than 3 ye	Total
Projects in progress	NIL	NIL	NIL	NIL	NIL
Projects temporarily suspended	-	-	-	-	-
	31.03.2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	more than 3 ye	Total
Projects in progress	-	-	2.94	1,599.82	1,602.76
Projects temporarily suspended	-	-	-	-	-

**4. Intangible Assets**

	As at March 31, 2024	As at March 31, 2023
Value of Intangible Assets installed	-	-
	-	-



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5. Investment in an Associate and a Joint Venture	As at March 31, 2024	As at March 31, 2023
Investment in an Associate and a Joint Venture	-	-
	-	-

**6. Investments (at fair value through profit & loss)**

**Quoted Shares (long-term investments)**

Particulars	Current		Non-Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
DSQ Ltd	-	-	3.22	3.22
Pentamedia Ltd	-	-	4.97	4.97
Polars Financial Ltd	-	-	-	-
DSQ Software	-	-	12.22	12.22
<b>Total (A)</b>	-	-	<b>20.41</b>	<b>20.41</b>

<b>Unquoted Shares</b>					
Particulars	Current		Non-current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
Moderen Synthetics Ltd	-	-	0.18	0.18	
Punjab Iron & Steel Co. Ltd	-	-	0.15	0.15	
Software Solutions India Ltd	-	-	6.33	6.33	
Star Precision Ltd	-	-	0.15	0.15	
Star Thapar Milk Products Ltd	-	-	0.03	0.03	
Umred Agro Ltd	-	-	1.70	1.70	
<b>Total (B)</b>	-	-	<b>8.54</b>	<b>8.54</b>	

<b>Quoted mutual funds (short-term investments)</b>					
Particulars	Current		Non-current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
<b>Total (C)</b>	-	-	-	-	
<b>Total investments (A+B+C)</b>	-	-	<b>28.95</b>	<b>28.95</b>	
Aggregate market value of quoted investments					
Aggregate fair value of unquoted investments					

<b>Loans</b>					
Particulars	Current		Non-current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
Carried at amortized cost					
Loans, advances and imprest to employees*					
Unsecured considered good	-	-	45.97	45.85	
Doubtful	-	-	-	-	
Provision for doubtful loans, advances and imprest to employees	-	-	45.97	45.85	
Advances Recoverable					
Unsecured, considered good, to other parties	-	-	22.14	21.80	
Doubtful, to other parties	-	-	22.14	21.80	
Provision for doubtful security deposit	-	-	-	-	
	-	-	22.14	21.80	
<b>Total</b>	-	-	<b>68.11</b>	<b>67.66</b>	

Particulars	Current		Non-current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
*Loans, advances and imprest to employees include					
Dues from officers	-	-	-	-	

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Others financial assets					
Particulars	Current		Non-current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
Carried at fair value					
Derivative assets	-	-	-	-	
Total (A)	-	-	-	-	
Carried at amortized cost					
Deposit with original maturity for more than 12 months	-	-	-	-	
Margin money deposits**	-	-	-	-	
Interest accrued on fixed deposits	-	-	-	-	
Interest accrued on investments	-	-	-	-	
Dividend accrued on investments	-	-	-	-	
Total (B)	-	-	-	-	
Total other financial assets (A+B)	-	-	-	-	

\*\*Margin Money deposits given as security

Break up of Total Financial assets					
Particulars	Note Refer ence	Current		Non-current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investments	6	-	-	28.95	28.95
Loans	6	-	-	68.11	67.66
Others financial assets	6	-	-	-	-
Trade Receivables	11	-	-	946.86	959.11
Cash and cash equivalents	12	-	-	71.60	38.29
Total		-	-	1,115.52	1,094.00

**Break up of financial assets carried at amortized cost**

Particulars	Note Refer ence	Current		Non-current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investments	6	-	-	-	-
Loans	6	-	-	-	-
Trade Receivable	11	-	-	-	-
Other financial assets	6	-	-	-	-
Total financial assets carried at amortized cost		-	-	-	-

**7. Prepayments**

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	-	-	-	-
Total	-	-	-	-

**8. Income tax assets (net)**

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Advance Income tax /Income Tax Refund Receivable	0.85	1.17	-	-
Deffered Tax	37.78	49.60	-	-
Total	38.64	50.77	-	-

**9. Other assets**

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital Advances				
Unsecured considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful capital advances	-	-	-	-
Total (A)	-	-	-	-
Advances other than capital advances				
Advances to suppliers /Others				
Unsecured considered good	-	-	167.84	157.21
Doubtful	-	-	-	-
Provision for doubtful advances	-	-	-	-
Total (B)	-	-	167.84	157.21
Balance with statutory / government Authorities	-	-	225.10	220.00
Total (C)	-	-	225.10	220.00
Prepaid Expenses (D)	-	-	1.76	1.05
Total other assets (A+B+C+D)	-	-	394.71	378.26



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11 Trade receivables						
Particulars				As at March 31, 2024	As at March 31, 2023	
Trade receivables						
Secured, considered good*						
Related parties				-	-	
Others				-	-	
Unsecured, considered good						
Related parties				60.17	-	
Others				886.69	959.11	
Doubtful						
Others				-	-	
Less: Allowances for expected credit loss				-	-	
<b>Total</b>				<b>946.86</b>	<b>959.11</b>	

\* Secured against letter of credit/ bank guarantee.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

**Trade Receivables Ageing Schedule**

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 month -1 year	1-2 years	2-3 years	more than 3 years	
i) Undisputed Trade Receivable-considered good	218.14	1.76	-	-	726.96	946.86
ii) Undisputed Trade Receivable-which have significant increase in credit risk						
iii) Undisputed Trade Receivable-credit impaired						
iv) Disputed Trade Receivable-considered good						
v) Disputed Trade Receivable-which have significant increase in credit risk						
vi) Disputed Trade Receivable-credit impaired						
<b>Total</b>	<b>218.14</b>	<b>1.76</b>	<b>-</b>	<b>-</b>	<b>726.96</b>	<b>946.86</b>

**Trade Receivables**

As at 31st March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 month -1 year	1-2 years	2-3 years	more than 3 years	
i) Undisputed Trade Receivable-considered good	229.04	0.10	3.01	24.73	702.23	959.11
ii) Undisputed Trade Receivable-which have significant increase in credit risk						
iii) Undisputed Trade Receivable-credit impaired						
iv) Disputed Trade Receivable-considered good						
v) Disputed Trade Receivable-which have significant increase in credit risk						
vi) Disputed Trade Receivable-credit impaired						
<b>Total</b>	<b>229.04</b>	<b>0.10</b>	<b>3.01</b>	<b>24.73</b>	<b>702.23</b>	<b>959.11</b>

For terms and conditions relating to related party receivables (refer note 35).

**12 Cash and Cash Equivalent**

Particulars				As at March 31, 2024	As at March 31, 2023	
Cash and cash equivalents						
Balances with Banks						
-In current accounts				26.71	28.15	
-Deposits with original maturity of less than three months				44.09	9.33	
Cheques / drafts on hand				-	-	
Cash on hand				0.79	0.81	
<b>Total</b>				<b>71.60</b>	<b>38.29</b>	

Deposits in banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods upto three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars				As at March 31, 2024	As at March 31, 2023	
Balances with banks:						
- On current accounts				26.71	28.15	
- Deposits with original maturity of less than three months				44.09	9.33	
Cheques/ drafts on hand				-	-	
Cash on hand				0.79	0.81	
<b>Total</b>				<b>71.60</b>	<b>38.29</b>	

**13 Non-current assets held for sale**

Particulars				As at March 31, 2024	As at March 31, 2023	
Investment in associates (refer note no 48)				-	-	
<b>Total</b>				<b>-</b>	<b>-</b>	

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10. Inventories ( lower of cost or NRV)		
Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials & components(at cost)	884.47	631.32
Work in Process	11.23	11.39
Finished Goods	1,778.60	1,800.10
Stock in trade (Mall under construction)	1,619.64	-
<b>Total (A)</b>	<b>4,293.94</b>	<b>2,442.81</b>
<b>In Transit :</b>		
Raw materials & components	-	-
Stores, Spares etc.	-	-
Finished Goods	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>4,293.94</b>	<b>2,442.81</b>

14. Share Capital			
Particulars	As at March 31, 2024	As at March 31, 2023	
<b>Authorised :</b> 40,00,000 equity shares (March 31, 2021: 40,00,000 ) of Rs.10/- each (March 31, 2020: Rs. 10/- each)	400.00	400.00	
<b>Issued, Subscribed and Paid-up</b> 3,252,400 (March 31, 2022: 32,52,400, ) Equity Shares of Rs.10/- Each Fully paid (March 31, 2021: Rs. 10/- each)	325.24	325.24	
<b>Total</b>	<b>325.24</b>	<b>325.24</b>	

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year					
Equity Shares	As at March 31, 2024		As at March 31, 2023		
	No. of shares	Amount	No. of shares	Amount	
At the beginning of the year	32.52	325.24	32.52	325.24	
Addition due to split of shares	-	-	-	-	
Issued during the year	-	-	-	-	
<b>Outstanding at the end of the year</b>	<b>32.52</b>	<b>325.24</b>	<b>32.52</b>	<b>325.24</b>	

**b. Terms/Rights Attached to equity Shares**

The Company has only one class of equity shares having par value of Re. 10 per share (March 31, 2024: Rs. 10/- each) (refer note g. below) . Each holder of equity shares is entitled to one vote per share. The Company declares dividend in Indian rupees and pays it in Indian rupees.

During the year ended March 31, 2024, the amount of per share dividend recognized as distribution to equity shareholders was INR Nil (March 31, 2023 INR NIL/- (refer note g. below));

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of Shareholders holding more than 5% of equity shares in the Company**

Name of Shareholder	As at March 31, 2024		As at March 31, 2023		
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class	
Equity shares of Rs. 10 each fully paid (March 31, 2022: Rs. 10/- each, April 1, 2021: Rs. 10/- each)					
1. Sh. Atanjit Bawa	21.06	64.76%	21.06	64.76%	

d. As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

f. No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date.

Disclosure of Shareholding of Promoters					As at 31.03.2024
Promoters Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No. of Shares	% of issued Share Capital	No. of Shares	% of issued Share Capital	
1. Sh. Atanjit Bawa	21.06	64.76%	21.06	64.76%	0%
2. S. Simerjit Bawa	1.61	4.96%	1.61	4.96%	0%
3. Smt. Manjit Kaur	1.51	4.64%	1.51	4.64%	0%
	-		-		

Promoters Name	As at 31st March 2023		As at 31st March 2022		% change during the year
	No. of Shares	% of issued Share	No. of Shares	% of issued Share	
1. Sh. Atanjit Bawa	21.06	64.76%	22.57	69.40%	-5%
2. S. Simerjit Bawa	1.61	4.96%	1.61	4.96%	0%
3. Smt. Manjit Kaur	1.51	4.64%	1.51	4.64%	0%

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<b>15. Other Equity</b>			
Particulars	As at March 31, 2024	As at March 31, 2023	
<b>Surplus in the statement of profit and loss</b>			
Balance as per last financial statements	(2,674.58)	(2,424.85)	
Add: Net profit for the year	(158.66)	(241.09)	
Less: Other Comprehensive loss for the year	-	-	
Less: Appropriations	(43.69)	(8.64)	
-Interim equity dividend	-	-	
-Tax on interim equity dividend	-	-	
-Transferred to general reserve	-	-	
<b>Net surplus in the statement of profit and loss (A)</b>	<b>(2,876.93)</b>	<b>(2,674.58)</b>	
<b>Security premium</b>			
Balance as per last financial statements	273.45	273.45	
Add: additions during the year	-	-	
<b>Closing Balance (B)</b>	<b>273.45</b>	<b>273.45</b>	
<b>Other Reserves</b>			
<b>General reserve</b>			
Balance as per last financial statements	1,470.28	1,470.28	
Add: Transferred from retained earnings	-	-	
<b>Closing Balance (C-I)</b>	<b>1,470.28</b>	<b>1,470.28</b>	
<b>Capital reserve</b>			
Balance as per last financial statements	30.36	30.36	
Add: additions during the year	-	-	
<b>Closing Balance (C-II)</b>	<b>30.36</b>	<b>30.36</b>	
<b>Closing Balance (C) = (C-I) + (C-II)</b>	<b>1,500.64</b>	<b>1,500.64</b>	
<b>Total reserves and surplus (A+B+C)</b>	<b>(1,102.84)</b>	<b>(900.49)</b>	

<b>16. Borrowings</b>					
Particulars	Non Current		Current		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
<b>Secured</b>					
SBI -CCECL & GECL	-	116.08	-	-	
SBI (WCTL)	108.89	433.29	-	-	
SBI (FITL-2)	-	-	-	-	
SBI -CC 8045 (Secured against Hyp. Of Stock	-	-	663.68	796.80	
ICICI Term Loans ( Secured agaist Vehicle)	-	-	-	-	
SBI Term Loans ( Secured agaist Bulding And Machinery)	-	-	-	-	
<b>Unsecured</b>					
Other Loans	-	-	-	-	
Loans from Directors and relatives	2,075.34	1,151.10	-	-	
Others-Shalimar	1,449.31	1,449.31	-	-	
<b>Total Borrowings</b>	<b>3,633.54</b>	<b>3,149.77</b>	<b>663.68</b>	<b>796.80</b>	

<b>17. Provisions</b>					
Particulars	Long-term		Short-term		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
<b>Provision for employee benefits</b>					
Provision for Dividend	-	-	-	-	
Provision for Gratuity (refer note 33)	-	-	235.25	278.38	
Tax on Proposed Dividend	-	-	-	-	
<b>Other Provisions</b>					
Provision for Tax	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>235.25</b>	<b>278.38</b>	

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<b>18. Income Tax</b>		
The major components of income tax expense are:		
Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	11.82	0.00
<b>Income tax expense reported in the statement of profit or loss</b>	<b>11.82</b>	<b>0.00</b>
<b>OCI section</b>		
Deferred tax related to items recognized in OCI during the year:		
Particulars	As at March 31, 2024	As at March 31, 2023
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Income tax charged to OCI</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:</b>		
Particulars	As at March 31, 2024	As at March 31, 2023
<b>Accounting profit before income tax</b>		
Tax at the applicable tax rate of 22.88% (31.3.2022: 22.88%)	-	-
Adjustments in respect of current income tax of previous years	-	-
<b><u>Tax effect of income that are not taxable</u></b>		
Capital gain on sale of investments	-	-
Interest on tax free bonds exempted under section 10(15)	-	-
Dividend income exempted under section 10	-	-
<b><u>Tax effect of income that are taxable at special tax rate</u></b>		
Deduction for rental income	-	-
Indexation effect on capital gain of investments	-	-
Capital gain on redemption of mutual fund units	-	-
<b><u>Tax effect of expenses/(incomes) that are not deductible in determining taxable profit:</u></b>		
Sale Of research & development assets u/s 41	-	-
Expenses disallowed u/s 14A	-	-
Interest on MSMED	-	-
Donations	-	-
CSR expenses	-	-
Warranty provisions	-	-
Others	-	-
<b><u>Tax effect of expenses that are deductible in determining taxable profit:</u></b>		
Weighted deduction u/s 35 (2AB)	-	-
Expenses u/s 80GGB	-	-
Expenses u/s 80JJAA	-	-
Expenses u/s 32AC	-	-
<b>At the effective income tax rate of 22.88% ( March 31, 2022: 22.88%)</b>	<b>-</b>	<b>-</b>
Income tax expense reported in the statement of profit or loss	11.82	0.00
Income tax reported in OCI	-	-
<b>Tax expense</b>	<b>11.82</b>	<b>0.00</b>

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<b>Deferred tax:</b>			
<b>Particulars</b>	<b>As at April 01, 2023</b>	<b>Provided during the year</b>	<b>As at March 31, 2024</b>
<b>Deferred tax liability:</b>			
Related to Property, plant and equipment	-	-	-
Fair Value of Investments	-	-	-
Prepaid Rent	-	-	-
Provision for warranty	-	-	-
Derivative gains	-	-	-
<b>Total deferred tax liability (a)</b>	-	-	-
<b>Deferred tax assets:</b>	(49.60)	11.82	(37.78)
Provision on trade receivables, capital advances, other loans & advances	-	-	-
Property, Plant and Equipments	-	-	-
Finance lease obligations	-	-	-
Provision for gratuity	-	-	-
Provision for leave encashment	-	-	-
Unpaid bonus	-	-	-
<b>Total deferred tax assets (b)</b>	(49.60)	11.82	(37.78)
<b>Deferred Tax Liability (Net) (a - b)</b>	(49.60)	11.82	(37.78)

**19. Financial liabilities - Trade payables**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Trade Payable		
- Micro, Small and Medium Enterprises (refer note 38)	-	-
- Related parties	1,101.75	1,027.61
- Others	430.80	508.27
<b>TOTAL</b>	<b>1,532.55</b>	<b>1,535.88</b>

**Trade Payables Ageing Schedule**

<b>As at 31st March 2024</b>					
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment/tranactions</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>more than 3 years</b>	
<b>Outstanding dues of MSME</b>					
i) Disputed Dues					
ii) Undisputed Dues					
<b>Total</b>	-	-	-	-	-
<b>Outstanding dues other than MSME</b>					
i) Disputed Dues					
ii) Undisputed Dues	66.64	1,027.61	315.86	122.44	1,532.55
<b>Total</b>	66.64	1,027.61	315.86	122.44	1,532.55
<b>Balance as at 31st March</b>	66.64	1,027.61	315.86	122.44	1,532.55

<b>As at 31st March 2023</b>					
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment/tranactions</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>more than 3 years</b>	
<b>Outstanding dues of MSME</b>					
i) Disputed Dues					
ii) Undisputed Dues					
<b>Total</b>	-	-	-	-	-
<b>Outstanding dues other than MSME</b>					
i) Disputed Dues					
ii) Undisputed Dues	1,360.50	52.93	23.24	99.20	1,535.88
<b>Total</b>	1,360.50	52.93	23.24	99.20	1,535.88
<b>Balance as at 31st March</b>	1,360.50	52.93	23.24	99.20	1,535.88



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**20. Other Financial Liabilities**

Particulars	Non Current			Current		
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023	
Other financial liabilities (at amortized cost)						
Security Deposits	-	-	-	206.65	206.65	
Payable on purchase of fixed assets	-	-	-	-	-	
<b>Total other financial liabilities</b>	-	-	-	<b>206.65</b>	<b>206.65</b>	

**Break up of financial liabilities carried at amortized cost**

Particulars	Note Reference	Non Current			Current		
		As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023	
Trade Payables	19	-	-	-	1,532.55	1,535.88	
Other financial liabilities	20	-	-	-	206.65	206.65	
Borrowings	16	3,633.54	3,149.77	-	663.68	796.80	
<b>Total financial liabilities carried at amortized cost</b>		<b>3,633.54</b>	<b>3,149.77</b>		<b>2,402.88</b>	<b>2,539.32</b>	

**21. Other Liabilities**

Particulars	Non Current			Current		
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023	
Advance Received	-	-		790.17	767.60	
Statutory liabilities (TDS Payable)	-	-		1.64	1.24	
Unpaid Dividend	-	-		10.19	10.19	
Cheques Issued But Not Presented	-	-		2.40	-	
Due To Director	-	-		165.04	165.74	
Expenses Payable	-	-		81.53	64.58	
<b>Total</b>	-	-		<b>1,050.97</b>	<b>1,009.34</b>	

**22. Revenue From Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sale of products (including excise duty and GST)</b>		
Local	1,156.79	909.27
Export	-	-
	<b>1,156.79</b>	<b>909.27</b>
<b>Rendering of services</b>	-	4.75
<b>Other operating revenue</b>		
-Scrap sales	-	-
-Export benefits	-	-
<b>Total</b>	<b>1,156.79</b>	<b>914.02</b>

**23 Other income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on sale of Fixed Assets	-	-
Sample Development Charges	-	-
Duty Draw Back	-	-
Rebate & Discount	0.05	54.87
Derivative gain on forward contracts	-	-
Foreign exchange gain (net)	-	-
Miscellaneous income	-	-
GST Bugetary Support	-	-
Dividend	0.04	-
Freight Outward	2.36	-
<b>Interest income on:</b>	-	-
-Long-term investments	-	-
-Bank deposits	1.49	0.85
-Security deposits paid **	0.26	-
-Others	0.01	0.04
<b>Total</b>	<b>4.21</b>	<b>55.76</b>

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**24. Cost of Materials consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Raw materials consumed</b>		
Inventory at the beginning of the year	631.32	611.86
Add: Purchases of Raw Material(including taxes)	782.95	401.37
	<b>1,414.27</b>	<b>1,013.23</b>
Less : Inventory at the end of the year	884.47	631.32
<b>Total</b>	<b>529.80</b>	<b>429.28</b>

**25. Changes in inventories of finished goods, Stock-in -Trade and work-in- progress**

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
<b>Closing stock</b>				
- Finished goods	1,778.60		1,800.10	
- Work in progress	11.23		11.39	
	<b>1,789.83</b>		<b>1,811.49</b>	
<b>Less :</b>				
<b>Opening stock</b>				
- Finished goods	1,800.10		1,842.58	
- Work in progress	11.39		98.08	
	<b>1,811.49</b>		<b>1,940.66</b>	
<b>(Increase) / decrease</b>				
- Finished goods		21.50		42.48
- Work in progress		0.16		86.69
		<b>21.66</b>		<b>129.17</b>

**26. Employee Benefits Expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	211.69	204.07
Contribution to provident and other funds	99.26	72.69
Gratuity expenses (refer note 33)	-	-
Canteen Subsidy	-	-
Staff welfare expenses	2.35	1.17
<b>Total</b>	<b>313.30</b>	<b>277.93</b>

**27. Depreciation and amortization expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of tangible assets (refer note 3)	74.22	82.43
Amortization of intangible assets (refer note 4)	-	-
<b>Total</b>	<b>74.22</b>	<b>82.43</b>

**28. Finance Costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on:		
-Banks*	102.84	136.27
- Others	92.94	86.62
-Bank Charges	10.27	3.31
-Unwinding of discount on warranty	-	-
<b>Total</b>	<b>206.06</b>	<b>226.20</b>

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**29. Other expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Stores and Spares	-	2.13
Power and energy	40.22	27.97
Advertisement and publicity expenses	0.65	0.94
Auditors' remuneration (refer detail below)*	1.00	1.00
Professional and legal charges	10.41	4.60
Directors' remuneration	5.24	4.24
Postage, telephone and telegram expenses	2.31	1.43
Printing and stationery expenses	0.92	0.75
Fees and taxes	8.53	9.86
<b>Repairs and maintenance</b>		-
-Plant and machinery	2.93	2.64
-Building	0.12	0.00
-Others	5.61	3.25
Selling expenses	2.25	(0.19)
Commission and brokerage	10.73	-
Festival Expenses	0.62	-
Freight outward	5.38	2.88
Tours and travelling expenses	2.43	2.23
Vehicle running expenses	2.86	3.64
Insurance Expenses	3.73	6.44
Packing and forwarding expenses	-	36.13
Donation	5.68	-
Ammortisation	0.08	-
Prior period items	0.39	-
Misc Manufacturing Expenses	-	2.05
Security Service Charges	1.50	-
Miscellaneous expenses	1.01	1.25
Job Work Charges	54.90	-
Freight	5.13	-
<b>Total</b>	<b>174.63</b>	<b>113.23</b>

**\*Payment to Auditors**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>As Auditor</b>		
Audit fee	0.90	0.90
Other matters-certification	0.10	0.10
	-	-
<b>Other services</b>	-	-
-Reimbursement of expenses	-	-
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**\*\*Donation to political parties**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Name of the party to which such amount has been contributed</b>		
	NIL	NIL
<b>Total</b>	<b>-</b>	<b>-</b>

**30. Other Comprehensive Income/(Loss)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes In Revaluation Surplus	-	-
Re-measurement of Defined Benefit Plan	-	-
Gains and losses arising from translating the financial statements of a foreign operation	-	-
Gains and losses from investments in equity instruments designated at fair value (or other financial assets measured at FV)	-	-
Reclassification adjustments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



### 31. Earning Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit/(Loss) for the year	(170.48)	(249.73)
Weighted Avg. No. of Shares	32.52	32.52
Par Value Per Share	10	10
Earning Per Share	(5.24)	(7.68)

### 33. Gratuity

#### Defined Benefit Plans

The company operates one defined plan i.e. gratuity for its employees. Under the Gratuity Plan, every employee who has completed atleast five years service gets a gratuity on departure at 15 days of last drawn

#### Contribution to Gratuity Funds - Employee's Gratuity Fund

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans / obligations:

#### Net employee benefit expense recognized in the employee cost

Particulars	Gratuity	
	2023-24	2022-23
Service cost - current	-	-
Past service cost	-	-
Interest cost	-	-
Expected return on plan assets		
<b>Total expenses recognised in the statement of profit and loss</b>	-	-

#### Amount recognised in Other Comprehensive Income

Particulars	Gratuity	
	2023-24	2022-23
Actuarial (gain)/ loss on obligations	-	-

Changes in the present value of the defined benefit obligations are as follows:

#### Gratuity:

Particulars	2023-24	2022-23
Opening defined obligation	278.38	330.84
Past service cost	-	-
Current service cost	-	-
Interest cost	-	-
Benefits paid	43.13	52.46
Actuarial (gain)/ loss on obligations		
<b>Defined benefit obligation</b>	<b>235.25</b>	<b>278.38</b>

The Company's best estimate of contribution during the next year is Rs. Nil (March 31, 2023: Rs.Nil)

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

Particulars	Gratuity	
	2023-24	2022-23
Discount rate		
Future salary increases		
Retirement age	58 Years	58 Years

### 32. Significant accounting judgements, estimates and assumptions

**Ind AS 1.122** The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, including the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### **JUDGEMENTS**

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

#### **Useful lives of Property, plant and equipment and Intangible assets**

The Company reviews the useful life at the end of each reporting period. This re-assessment may result in change in depreciation/ amortisation expenses in future period.

#### **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal cases, demands from income tax authorities authorities, non-submission of C-forms and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

#### **ESTIMATES AND ASSUMPTIONS**

**Ind AS 1.125** The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

#### **Defined benefit plans (gratuity benefits)**

The present value of the gratuity obligations and leave encashments 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 retirement age. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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

Further details about gratuity obligations are given in Note 33.

#### **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. See Note 44 and 45 for further disclosures.

#### **Income Taxes**

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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**34 Commitments and Contingencies**

**I Leases**

**Finance lease: Company as lessee**

The Company has no finance leases.

Particulars	As at 31.03.2024		As at 31.03.2023			
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP		
Within one year	NIL	NIL	NIL	NIL		
After one year but not more than five years	NIL	NIL	NIL	NIL		
More than five years	NIL	NIL	NIL	NIL		
Total minimum lease payments	NIL	NIL	NIL	NIL		
Less: amounts representing finance charges	NIL	NIL	NIL	NIL		
<b>Present value of minimum lease payments</b>	NIL	NIL	NIL	NIL		

**Operating lease: Company as lessee**

Future minimum rentals payable under non-cancellable operating lease is as follows:-

Particulars	As at 31.03.2024	As at 31.03.2023	
Within one year	-	-	
After one year but not more than five years	-	-	
More than five years	-	-	
<b>Total</b>	-	-	

**II Contingent Liabilities (to the extent not provided for)**

Particulars	As at 31.03.2024	As at 31.03.2023	
Claims against the Company not acknowledged as debts*			
Guarantee given			
Income- tax demands**			
Outstanding letter of credit			
Pending export obligation under EPCG scheme			
<b>Total</b>	-	-	

(A) \*There are no Claims against the Company .

(B) \*\* Income tax demands  
No income tax demand is outstanding against company

**III Commitments**

Particulars	As at 31.03.2024	As at 31.03.2023	
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	NIL	NIL	

**35. Related parties under IND AS-24 with whom transactions have taken place during the year**

Associates		Amount (in Lakh)
(A) Key managerial Personnel	Simarjit Singh Bawa	5.23
(Salaries)	Megha Gandhi	2.27
	Ashish Mahendru	3.47
(B) Companies/ Concerns controlled by KMP & their relatives (Sales)	Bawa Skin Company	244.46
(C) Interest on Loans & Advances	Atamjit Singh Bawa	12.17
	Manjit Kaur Bawa	6.73
	Bawa Skin Co.	74.05

**36. Detail of expenditure on Research and Development activities during the year is as under: -**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue expenditure</b>		
Salary & wages (including other employees benefits)	6.29	6.80
Raw material, store and spares consumed		
Other expenses	-	-
<b>Total revenue expenditure</b>	<b>6.29</b>	<b>6.80</b>
<b>Capital expenditure (included in Property, plant and equipment)</b>		
Buildings		
Capital equipments		
<b>Total capital expenditure</b>	-	-

**37 Capitalization of expenditure**

During the year, the company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of raw material and components consumed	-	-
<b>Total</b>	-	-



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**38 Detail of dues to micro and small enterprises as defined under the MSMED Act, 2006- NIL**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year Principal amount due to micro and small enterprises Interest due on above		
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.		
The amount of interest accrued and remaining unpaid at the end of each accounting year.		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

**39 Expenditure on corporate social responsibility activities :**

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been framed by the Company. The areas for CSR activities are promoting preventive health care, promoting education, setting up old age homes for senior citizens, ensuring environment sustainability and protection of flora and fauna, training to promote rural sports and rural development projects.

Gross amount required to be spent by the Company during the year is Rs. NIL (Previous year Rs. nil)

**40 Ratios**

S. No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023	Change	Reason of Change
a)	Current Ratio ( Number of Times) Curren Assets/ Current Liabilities	1.65	1.08	54%	Due to increase in current Assets
b)	Debt Equity Ratio ( number of times) (Total Debt/Shareholders's Equity)	NA	NA		Due to negative equity
c)	Debt Service Coverage Ratio ( number of times) (Earning available for Debt Service/ Debt Service)	-0.35	-1.72	-80%	Due to decrease in losses
d)	Return on Equity Ratio( number of times) (Net profit after tax / Average Shareholders Equity)	-0.25	-0.43	-41%	Due to decrease in losses
e)	Inventory Turnover Ratio( number of time) ( Raw Material consumed/Average Inventory)	0.16	0.20	-18%	
f)	Trade Receivable Turnover ( number of time) ( Net Sales excluding export incentive / Average Trade Receivables)	1.21	0.99	23%	
g)	Trade Payable Turnover( number of times) ( Net purchases/ Average trade payable)	0.51	0.00	8794044%	Due to increase in Net Purchases
h)	Net Capital Turnover ( number of times) ( Revenue from operation/ working capital)	0.51	2.90	-82%	Due to increase in Working Capital
i)	Net Profit Ratio(%) ( Net profit after tax/ Revenue from Operation)	-14.68%	-25.65%	43%	Due to decrease in losses
j)	Return on Capital Employed ( Number of times) (Profit before Interest & Tax/ Capital Employed)	0.043	0.020	113%	Due to decrease in losses
k)	Return on Investments ( number of times) Return on Fixed Deposits ( Interest / Av. Investment in FDs)	0.01	0.01	0%	

**Notes**

- Equity = Equity Share capital + Other Equity
- Raw Mareial Consumed includes cost of Material consumed and change in inventories of finished goods and work in progress
- Inventory Includes Raw Materials and Components, Work in Progress , Finished Stock, Store and spares
- Working capital = Current assets lesss current liabilities
- Capital Employed includes shareholders equity , non current and current borrowings

#### **41 OTHER STATUTORY INFORMATION**

- i) The Company does not have any immovable property whose title deed is not held in name of the company.
- ii) The Company has not valued any of its Property, Plant and Equipment ( including Right to use Assets) during the year
- iii) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- iv) The company has borrowings from the bank or financial institutions on the basis of security of current assets, the quarterly returns or statement of current assets filed with such bank/financial institution are reconciled with the books of accounts.
- vi) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- vii) The company has not done any transactions with companies struck off under section 248 of the companies Act 2013 or section 560 of companies Act 1956.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix)  
The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- x)  
Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- xi)  
The Company has not received any fund from any person(s) or entity(is), 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
- xii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- xiii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- xiv) The company has not granted any loan & advances in nature of loans to promoters, directors, KMPs and related parties , either severally or jointly with any other person, that are
  - (a) Repayable on demand or
  - (b) without specifying any term or period of repayment.

#### **42 Forward Contracts**

The Company enters into Derivative contracts in the nature of forward contracts taken in order to hedge its foreign currency exposure in respect of export trade receivables. Such derivative financial instruments are initially recognized at fair value on the date on which forward contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair valuation on the date of re-measurement results into gain to the Company and financial liability when the fair valuation results into loss to the Company.

The Details of derivative assets relating to forward contracts are as mentioned below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Derivative assets	NIL	NIL	
<b>Total</b>	-	-	

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**43 Segment Information**

**Segment Reporting**

The Company's whole time directors examines the Company's performance. They have determined "manufacturing of SHOESs" and its components to be its single reportable business segment.

**Geographical Segments**

The company primarily operates in India and therefore the analysis of geographical segment is demarcated into its India and Overseas operations as follow:

Net Revenue		( Amount in INR)
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In India	1,157	90,927,050
Outside India	-	-
<b>Total</b>	<b>1,157</b>	<b>909</b>

The company has common fixed assets for manufacturing goods for domestic and overseas market. Hence separate figures for fixed assets /additions to fixed assets cannot be furnished.

The accompanying notes 1 to 43 are an integral part of the financial statements.

As per our report of even date

**For Y. K. Sud & Co.**

ICAI Firm Registration No:  
Chartered Accountants

Sd/-

Y.K. Sud

Prop

Membership No. 016875

Place: Jalandhar

Date: 30.05.2024

**For and on behalf of the Board of Directors of  
Sarup Industries Limited**

Sd/-

Simarjit Singh Bawa

Managing Director

(DIN -00851651)

Sd/-

CS Megha Gandhi

Company Secretary

(PAN-BJAPM1989A)

Sd/-

Atamjit Singh Bawa

Director

(DIN - 0807400)

Sd/-

CA Ashish Mahendru

Chief Financial Officer

(PAN-EPMPM2492K)

**SARUP INDUSTRIES LIMITED**

**REGD OFF: - PLOT NO-141, LEATHER COMPLEX, JALANDHAR-144021, PUNJAB (INDIA)**

**Tel: 0181-4059647, Email: [compliancestl@gmail.com](mailto:compliancestl@gmail.com)**

**Website: [www.sarupindustries.com](http://www.sarupindustries.com)**

**CIN: L19113PB1979PLC004014**