

NATH INDUSTRIES LIMITED

41ST ANNUAL REPORT

2022-23

<p>Registered Office</p> <p>Nath House, Nath Road Aurangabad- 431005 Maharashtra</p> <p>Corporate Office 1, Chateau Windsor, 86, Veer Nariman Road, Churchgate, Mumbai – 400 020</p>	<p>Units:</p> <p>i) Rama Paper Plot No. 293-296, Phase II, G.I.D.C., Vapi – 396195 Gujarat.</p> <p>ii) Nath Paper Nath Nagar (north), Village Wahegaon, Taluka Paithan, Dist. Aurangabad.</p> <p>iii) Nath Chemical Plot No. 295, Phase II, G.I.D.C., Vapi – 396195 Gujarat</p>
<p>Directors:</p> <p>Shri Akash Kagliwal Shri Abhaykumar Jain Shri Kashinath Iyer Ganapathy Shri Hitesh Purohit Shri Madhukar Deshpande Ms. Nupur Lodwal</p> <p>Company Secretary:</p> <p>Ms. Nupur Lodwal</p>	<p>Statutory Auditors:</p> <p>M/s Vidya & Co Chartered Accountants</p>
<p>Registrar & Share Transfer Agent:</p> <p>Big Share Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Makwana Road Marol, Andheri-East, Mumbai-400059</p>	<p>Bankers</p> <p>State Bank of India</p>

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **41st ANNUAL GENERAL MEETING** of **NATH INDUSTRIES LIMITED** will be held on Thursday the 29th September, 2023 at 12.30 P.M. through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS.

To receive, consider and adopt Audited Balance Sheet of the Company as at March 31, 2023 and Statement of Profit & Loss for the year ended as on that date together with the Report of Directors and Auditors thereon.

2. APPOINTMENT OF STATUTORY AUDITOR

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/S. N R Agrawal & Co., Chartered Accountants (Firm Registration No. 100143W) be and is hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of this 41st Annual General Meeting till the conclusion of the 46th Annual General Meeting and the Board be and is hereby authorized to fixed the remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

3. RE-APPOINTMENT OF DIRECTOR

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

SPECIAL BUSINESS:

4. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2023-2024

To consider & if thought fit, to pass with or without modification, the following resolution as ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on March 31, 2024, amounting Rs. 50,000/- (Rupees Fifty Thousands Only) plus Goods and Service tax and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is here by approved.”

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

5. **APPOINTMENT OF MS. NUPUR LODWAL (DIN : 10150318) AS EXECUTIVE DIRECTOR OF THE COMPANY**

To consider & if thought fit, to pass with or without modification, the following resolution as Special resolution:

"RESOLVED THAT pursuant to the resolution passed in the meeting of the Nomination and remuneration committee and further pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, subject to such sanctions as may be necessary, and subject to the approval of the shareholders in the General Meeting, Ms. Nupur Lodwal (DIN – 10150318) be and is hereby appointed as Executive Director of the Company for a period of 5 years with effect from 31st August 2023 till 30th August 2028 (both days inclusive), The aggregate remuneration to be paid to Ms.Nupur Lodwal set out herein below:

Salary and Perquisites

Rs. 2.42 Lacs /- p.a.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time.

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and 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. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/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 EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors

etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) 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 EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.nathindustries.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE India Limited at www.bseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/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. 2/2021 dated January 13, 2021.
8. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 01.09.2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 01.09.2023 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.
10. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates,

nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA Bigshare Services Private Limited in case the shares are held by them in physical form.

12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.nathindustries.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com
13. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
14. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 26th September 2023 to 28th September 2023 both days inclusive.
15. As there is special business, hence Explanatory Statements is given with this notice, pursuant to Section 102(1) of the Companies Act, 2013 during the year.
16. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/ Bigshare Services.
17. Ms. Neha P. Agrawal, Company Secretary in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board, can scrutinize the e-voting process in fair and transparent manner.
18. Instruction for E-Voting and joining the 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 26.09.2023 at 09:00 A.M. and ends on 28.09.2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22.09.2023, 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 22.09.2023.

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"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</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; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & 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 evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nehapagrawal@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com 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 or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr Sanjeev Yadav of NSDL official at www.evoting.nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@nathindustries.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@nathindustries.com. 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 for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
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 invesor@nathindustries.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views or have questions may send their questions in advance, mentioning their Name, Demat account number, Folio Number, mobile number and e-mail address at (investor@nathindustries.com) from 26th September, 2023 (9:00 a.m. IST) to 28th September, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

For Nath Industries Limited

Akash Kagliwal
Managing Director
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: investor@ramapulp.com

Date : 31.08.2023

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

ITEM 4

TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2023-2024

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

The Board, on recommendation of the Audit Committee has approved the appointment and remuneration of M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) as Cost Auditors of the Company to conduct the audit of the cost records of the company for the Financial Year 2023-24 at a fee of Rs. 50,000/- plus applicable taxes and reimbursement of out of pocket expenses, as remuneration.

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

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

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members.

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

ITEM NO 5

APPOINTMENT OF MS. NUPUR LODWAL AS EXECUTIVE DIRECTOR

The Board of Directors of the Company at their meeting held on 31.08.2023 pursuant to the recommendation of the Nomination and Remuneration Committee approved appointment of Ms. Nupur Lodwal (DIN : 10150318) as an Additional Director

Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015. Ms. Nupur Lodwal can hold as an Additional Director upto the date of next General Meeting or for a period of three months from the date of appointment, whichever is earlier. The Company has received notice under Section 160(1) of the Companies Act 2013 from member signifying her intention to propose appointment of Ms Nupur Lodwal as a Director of Company.

Further, the board of directors in its meeting recommended the appointment of Ms Nupur Lodwal as Executive Director of the company for the period of five years with effect from 31.08.2023 to 30.08.2028 (both days inclusive) in terms of Section 161 (10) OF Companies Act 2013.

The main terms and conditions of appointment of Ms Nupur Lodwal as Executive Director in accordance with the Remuneration Policy of the Company is given below:

Salary and Perquisites

Rs. 2.42 lacs p.a.

The Board recommends the Special Resolution set out at Item No 5 of the Notice for approval of members.

For Nath Industries Limited

Akash Kagliwal
Managing Director
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: investor@nathindustries.com

ANNEXURE:-

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT ANNUAL GENERAL MEETING

NAME OF DIRECTOR	Ms. Nupur Lodwal
DIN	10150318
Date of Birth	15.04.1994
Qualification	M.Com, LL.B, ACS
Expertise in specific Functional areas	Wide experience in Secretarial Compliance, Listing Compliance and legal Department
Director in other Public Companies	No
Chairman/ Member of Committees of other Companies	No
No of shares held in the Company	NIL

DIRECTORS' REPORT

Dear Shareholders,

We have the pleasure in presenting the 41th Annual Report of the Company and the audited statement of accounts for the year ended 31stMarch, 2023.

FINANCIAL PERFORMANCE

A summary of the financial results is given below:

(Rs. In Crores)

FINANCIAL RESULTS		
Particulars	Year Ended	
	31.03.2023	31.03.2022
Total Income	414.12	423.18
Profit before Interest & Depreciation	12.37	27.46
Interest & Depreciation	12.14	11.17
Profit before Tax	0.22	16.29
Provision for Taxes	-2.45	-0.36
Surplus for the year	2.67	16.65
Other Comprehensive Income	-3.84	-1.80
Total comprehensive Income for the year	-1.17	14.85
Earnings per Share (Rs.)	1.41	8.76

REVIEW OF OPERATIONS

The company is operating mainly two segments

- 1) Paper and
- 2) Industrial Chemicals.

The FY 2022-23 was adversely affected by the impact of Russia-Ukraine war, rising interest rate, rising inflation and the measures taken by the various countries to control the inflation. All these factors resulted in sluggish demand across the globe, unprecedented uncertainties and erratic price movements in raw material prices. The company was able to pass on the increase in prices of raw material to a major extent because of its customised and specialty product portfolio.

The efforts taken by the company in establishing its foot prints in exports market were got recognised and rewarded by the Federation of Indian Exporters Organization -Western Region (FIEO). The company is glad to inform you that the company received Export Excellency Award in Multi Product (Non-MSME) -Gold for 2 consecutive years i.e. FY 2018-19 and FY 2019-20.

Amid the uncertainties and weak global sentiments, the company is glad to announce that the company undertook various expansion projects involving capital outlay of over 75 Cr in FY 2022-23. The projects include installation of Co-generation Power Plant and installation of Pulping street in Unit Rama Paper, increasing the manufacturing capacity of Sulphuric Acid from 280 TPD to 500 TPD in unit Nath chemicals and installation of online coating paper machine in unit Nath paper. All the projects were progressing well as per the expected timelines in FY 2022-23. All the projects will be completed in Q2 of FY 2023-24.

The expansion projects required shutting down of existing plant for replacement and synchronization with the existing set up in Q3 and Q4 of FY 2022-23 which resulted in under-

utilization of capacities. Despite that, the company achieved the total income of Rs. 414.12 Cr as against the turnover of Rs. 423.17 Cr in previous year. However, under-utilization of capacities due to shutting down of plants for expansion resulted in lower recoveries of fixed overheads and impacted the profit margin in FY 22-23.

PAPER DIVISION

Paper division was able to achieve total income of Rs. 304.63 Cr FY 2022-23. The share of export sales was Rs. 62.61 Cr. The company was able to maintain its share of exports of over 20 % in FY 22-23 despite weak global demand especially from European Countries. At present, the company is exporting its paper products to around 22 countries and demand graph is on continuous rise from the export market.

UNIT- RAMA PAPER

The company has invested over 24 Cr in setting up of co-generation power project which is being commissioned in FY 2023-24. The benefits and results of cogeneration power plant will start flowing from mid of FY 2023-24.

Since 2020 after a break out of covid-19 and thereafter several other global events, the paper industry depending on imported recycled waste paper witnessed high volatility in the prices and availability of imported raw materials. On various occasions, mismatches in demand and supply increased the prices of imported raw materials manifold. To overcome the dependency on imported waste papers, the unit Rama paper has successfully completed installation of a new Pulping Street which offers flexibility in using variety of raw material mix which will reduce dependency on particular grade of imported waste paper. Based on the options and availability, company will be able to choose right mix which will help in controlling the material cost.

Unit Rama Paper achieved turnover of Rs. 148.34 Cr as against the turnover of Rs. 133.41 Cr recorded in previous year because of its customized specialty paper portfolio. The share of export sales increased to Rs. 50.82Cr from Rs. 39.32 Cr and the unit is witnessing good demand from the export markets.

CERTIFICATIONS

It is endeavor of the company to maintain high quality standards and base on that the company could get a proper validation of its certificates under ISO certifications of 9001:2015 and 14001:2015.

Likewise the steady compliances of sustained high norms of Eco friendliness and Save Environmental moves have, persuaded the World forestry organization FSC COC to continue the validation for code of conduct of our quality and Global acceptance of products.

PRODUCTS AND NEW PRODUCTS LAUNCH

Last year your company had successful launch of kraft for square bottom paper bags named as Mac D under Ban Single use Plastic movement by Government. The Mac D Kraft is well established and accepted in the market. The company is committed to support **SAVE ENVOIRONMENT**

movement and has decided to develop high strength **CARRY BAGS / SHOPPERS BAGS** to discourage the use of plastic and Non-woven bags.

Other products produced by Company like Absorbent Kraft, M G White and Colour Tissues. (Gift wraps) M G Kraft and One Time Carbon Base Paper are already well accepted and moving in Global markets very well. The excellence in quality of these products has led your company to receive **Export Excellence Award** in Multi Products Category for the year **2018-2019** and year **2019-2020**. It is a matter of pride to announce that Company has attained a Global leadership position in related products segments.

A rigorous R & D work is on in Company's laboratory to develop other related products to Absorbent Kraft like Gold Rust and Masking paper which will be launched by the early 2024 are bound to give an Edge in the market and a good contribution in revenue.

MARKETING STRATEGIES

Effective Marketing strategy is an organization's strong promotional channel to increase its sales and achieve sustainable competitive advantage within its markets. Consistency in product's quality and service per excellence plays a vital role in expanding and securing the market share.

The annual growth in worldwide production of Paper and Paper boards is estimated at rate of 7.5% which means the Global demand for various paper and paper boards is likely to achieve the target of USD 245 billion by 2027 .

Along with leading position in domestic market. Company has expanded it's export markets of Absorbent Kraft, White Tissue and Colour Tissues and M G Kraft from South East Asian countries to Europe and South America. The new markets recently added to this segment are Egypt, Guatemala, Argentina, Brazil and Mexico.

Company's leading product Absorbent Kraft and it's synergic products are set to crack the phenomenal growing demand of Building Decorative Material in international market and have it's maximum share. The growth in demand of High-Pressure Laminates and Commercial Decorative laminates is estimated to USD 11.75 Billion between 2023 to 2028.

Continuous innovations and R&D works to upgrade and improve the quality of products do contribute a lot to secure the new market spaces. It is matter of pleasure to state that a large and well-knit distribution network in the country and overseas locations build concrete foundation for marketing company's products.

UNIT -NATH PAPER

Despite all the adverse global scenario your Company's Unit-Nath Paper has produced 28,957 MT of Core Board and Thermal Paper 2943 MT.

Unit Nath Paper has achieved total income of Rs. 156.29 Crores by selling 28,648 MT of Core Board and 2,919 MT of Thermal Grade Paper.

During the year, various measures were undertaken by your company to enhance product efficiency & production capacity. Company has commissioned new coating machine (double side coating). This will enhance the present capacity of production of thermal paper from 300 mt per month to 600 mt per month. The new coating machine will provide a double-edge benefit to the company, i.e by reducing the chemical consumption and by enhancing the production capacity. Further existing coater may be used making chromo or calendar paper, which may further enhance the profitability of the company in the coming years.

The Company's capital investment will help in reducing power consumption and increase in the production capacity of the Thermal paper in the coming years.

Company's 1 MW solar power on OPEX model has become operational during the current financial year. Company could generate 1.90 million kwh from solar power. This measure has helped the company to reduce energy costs.

PRODUCTS

Unit-Nath paper is producing high GSM Core Boards and Thermal Paper, which are well received in the market.

- Core Board is used for manufacturing of paper tubes used by textile and plastic films manufacturing industry. Company is producing Core Board TTP 500 & TTP 600 grade.
- There is a good demand for paper bags with the ban on plastics, hence we have developed Bag Paper, which in the coming year will also become one of our major products.
- Thermal Paper is firmly established in many areas of daily life with a wide range of applications like ATM Rolls, Cash Deposit Kiosks, Point of Sales Receipts, Cash Registers, Movie Tickets, Bus Tickets, Parking Slots, and Toll Tickets etc. This technology provides speedy, reliable, economical, and high-definition images.

MARKET

Company's higher GSM Core Boards and Thermal Paper is well accepted in the market. Demand for both these grades is growing constantly. Domestic market for manmade fibre has been growing rapidly and many expansions are in the pipeline. TTP 500 and TTP 600 grade used in POY/FDY paper tubes & plastic films. The Company also manufactures a specialty grade paper called Thermal Grade Paper, used for fax machines, ATMs & POS machines. The company has high quality products and competitive rates.

The Company is expanding its overseas market also. And exporting its products to countries like China, Thailand, Sri Lanka & Middle east.

CHEMICAL DIVISION

UNIT-NATH CHEMICAL

The chemical division of your company continues to be very flexible in its product mix which gives it an advantage to shift the products based on the market demands.

The chemical segment sold 1,06,884 MT of its products and the total turnover during the year for the chemical unit was Rs 104.63 Crores.

We are also pleased to inform that expansion plan undertaken by the company to expand its Sulphuric acid capacity from 300 MT per day to 500 Mt per day is completed. Along with it has also commissioned a power turbine for a capacity of 3.2 MW which will help to reduce its power expenses substantially.

DIVIDEND

In view of the proposed growth plans, the Directors have not recommended dividend for the financial year 2022-23.

TRANSFER TO RESERVES

The Company has not transferred any amount from profit to general reserves.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

PUBLIC DEPOSIT

The Company has not accepted deposits from the public during the financial year under the review within the meaning of Section 73 of the Companies Act, 2013, read with companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form No. MGT-9 shall form part of the Boards Report in Annexure-I.

CORPORATE GOVERNANCE

A separate statement on Corporate Governance together with a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this report are given in Annexure-II.

NUMBER OF MEETINGS HELD DURING THE YEAR

The details of all the meetings of Board of Directors and the Committees, which have taken place during the year and their details along with their attendance, is given in Para 2 of **Annexure-II**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Provisions of Sec 135 of the Companies Act, 2013 related to Corporate Social Responsibility (CSR), the amount of CSR required to be spent for the FY 2022-23 is Rs. 38.00 Lakhs which has already been incurred by the Company. The initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure-III** which is part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Mr. Akash Kagliwal (DIN: 01691724) was appointed as Managing Director on the Board with effect from 14th November 2022 and his appointment is approved by shareholders of the company in Extra ordinary General Meeting held on 29.12.2022, in terms of section 161 of the Companies Act, 2013.

Ms. Nupur Lodwal (DIN: 10150318) was appointed as Additional Director on the Board with effect from 31st August 2023 and who holds office till the date of the AGM, in terms of section 161 of the Companies Act, 2013.

Mrs Jeevanlata Kagliwal (DIN: 02057459), Non-Executive Director resigned from the Board of your company with effective from close of business hours on 31st August 2023. The Board places on record its sincere appreciation for the valuable guidance and contribution made by Mrs Jeevanlata Kagliwal in the deliberations of the Board during her tenure.

Mr Akhilesh Kumar Sharma (DIN: 01831269) Executive Director resigned from the Board of your company with effective from close of business hours on 31st August 2023. The Board places on record its sincere appreciation for the valuable guidance and contribution made by Mr Akhilesh Kumar Sharma in the deliberations of the Board during his tenure.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts for the year ended March 31, 2023, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31,2023 and of the Profit of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Disclosures pertaining to remuneration as required Under Section 197(2) of the Companies Act, 2013 and with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Directors Report, is given in **Annexure-V**.

The statement of particulars of employees under section 197(12) of the Companies Act, 2013 and with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided with, as during financial year under review, no employee of the company including Whole Time Director were in receipt of remuneration in excess of the limits set out in the said rules.

EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, CSR and Compliance Committees and its own performance. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

INTERNAL CONTROL SYSTEM

The details in respect of Internal Financial Control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

The company has a robust internal control framework commensurate with the nature, size, risk and complexities of the business. The Company's internal control environment ensures efficient conduct of operations, security of assets, detection and prevention of frauds and errors and timely completion of accounting records with accuracy and reliable information.

The company also has appointed the external agency as independent internal auditor to ensure implementation and effectiveness of internal control system. The observations of Internal Auditors are routinely evaluated and reviewed by the Audit Committee. Based on the review and

evaluation, the Audit Committee has concluded that the Internal control systems implemented by the company are adequate and effective.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

During the year, your Directors have constituted a Whistle Blower Policy / Vigil Mechanism Policy for the Company to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the code of conduct of the Company as per the provisions of Section 177 (9) and (10) of Companies Act, 2013. The policy reflects the commitment of the Company and its management for maintaining highest ethical standards while undertaking open and fair business practises and culture, implementing and enforcing effective system to detect, counter and prevent bribery and other corrupt business practices. The Vigil Mechanism Policy report has been uploaded on the Website of the Company at www.nathindustries.com. It is affirmed that no person has been denied access to the Audit Committee.

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

The Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act), 2013, the Company has a documented a policy to ensure safety of women and prevention of sexual harassment.

During the FY 2022-23, no complaint of sexual harassment has been filed nor any complaints are pending at the end of the financial year 2022-23.

RISK MANAGEMENT POLICY

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

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

STATUTORY INFORMATION

The Company is basically into the Paper and Chemical business and is the member of BSE Platform.

STATUTORY AUDITORS

Statutory Auditor of the Company M/S Vidya & Co., Chartered Accountants (Firm Registration No. 308022E), Mumbai who have completed five years period of appointment and due to their other commitments, they expressed their inability to continue as a Statutory Auditor of the Company after conclusion of the Annual General meeting to be held on 29th September 2023.

The Board places on record its sincere appreciation for the valuable guidance and contribution made by Statutory Auditor M/S Vidya & Co., Chartered Accountants in their tenure.

The Board has appointed M/s N R Agrawal & Co, Chartered Accountants, Mumbai (having Firm Registration No.100143W) as Statutory Auditors of the Company, who is going to be appointed in this AGM and holds office until the conclusion of the Annual General Meeting to be held in year 2028. The Company has received letter from N R Agrawal & Co, Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

COST AUDITOR

The Board has appointed M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership no-30063, PAN no- AJDPD6775F) Daman as a Cost Auditor of the Company for the financial year 2023-24. Company has Maintained Cost record and conducted cost audit as specified by Central Government under Section 148 (1) of Companies Act, 2013.

SECRETARIAL AUDITOR

The Secretarial Audit for the FY 2022-23 was carried out by Ms. Neha P. Agrawal. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report forms the part of this report and annexed in **Annexure-VII**.

AUDITORS REPORT

The notes referred to by the Auditors in their report are self-explanatory and do not call for further explanation.

With reference to the observation of auditors regarding transfer of title deeds of the amalgamating companies viz Nath Industrial Chemicals Limited and Nath Pulp and Paper Mills Limited, the company hereby informs that the legal formalities for transfer of titles deeds are already submitted to the concerned authorities and transfer formalities are under process.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

No material transaction with related parties were entered into during the Financial Year by the Company with the Promoters, Key Managerial Persons or any other person which may have potential conflict with the interest of the Company. Information on transactions carried out with the related parties are disclosed in the Notes to Accounts accompanying the financial statements.

The transactions with related parties entered were in the ordinary course of the business and were on arms length's basis. Hence filing of Form AOC-2 is not applicable to the company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial statements.

INSURANCE

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

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation.

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

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

(A) Conservation of Energy

As a Energy Conservation Measure, 1 MW Solar Power plant on Opex basic has become operational during the year. It could generate around 19 Lakhs Kwh during the year which will reduce the intake from the grid.

The paper manufacturing process requires steam for drying of the paper. Earlier, the requirement of steam was met from the steam generated from the boiler. During the year, the company installed a co-generation power plant consisting of high pressure multi fuel Boiler and Turbine. The high pressure steam will be used in generation of electricity and low pressure steam will be used in manufacturing process. With margin increase in coal consumption, the company will be able to generate electricity which will reduce electricity demand from the grid considerably.

The installation of new Turbine in chemical division will use steam generated during the Sulphuric Acid Manufacturing process for generation of electricity. Post expansion, the electricity requirement for the chemical division will be fulfilled from the new Turbine.

(B) Technology Absorption and Research Development

The company is known for developing Customised and Specialty paper as per the requirement of the customer. The customisation within the permissible budget is achieved through technology absorption as well as continuous research and development.

During the year, to avoid dependency on imported waste paper which witnessed high volatility post Covid-19, the company has commissioned Pepsi Pulping street which will give flexibility in usage of different grade of raw materials and help in controlling the costs.

(C) Foreign Exchange Earnings and Outgo

The Company has incurred the following expenses in foreign currency during the financial year 2022-23. The rupee equivalent of that amount has been given hereunder:

Particulars	Rs. In Crores
Total Earnings	62.61
Total Expenditure	118.01

ACKNOWLEDGEMENT

The Board of Directors acknowledge with appreciation, the co-operation and assistance received from its Employees, Customers, Suppliers, Bankers, Regulatory Authorities, Stock Exchange and Business Associates at all levels during the period under report.

The Board of Directors also takes this opportunity to convey their gratitude and sincere thanks for the co-operations and assistance received from the Stakeholders. The Board of Directors acknowledges your confidence and continued support and looks forward for the same in future as well.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2023

Akash Kagliwal
Managing Director
(DIN:01691724)

Annexure – I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2023
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION AND OTHER DETAILS:-

i	CIN	L21010MH1980PLC022820
Ii	Registration Date	09.07.1980
Iii	Name of the Company	Nath Industries Limited
Iv	Category/Sub-category of the Company	Limited by Shares
V	Address of the Registered office & contact details	Nath House, Nath Road, Aurangabad 431005
Vi	Whether listed company	Listed
Vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt Ltd. 1 st Floor, Bharat Tin Works Bldg., Opp Vasant Oasis, Makwana Road, Andheri (East), Mumbai - 400 059.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
i	Paper	Group-170	74
Ii	Chemical	Group-202	26

III PARTICULARS OF HOLDING, SIBSIDIARY AND ASSOCIATE COMPANIES:-

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

IV. SHARE HOLDING PATTERN as on 31st March 2023

(i) Category wise shareholding

Category of Shareholders	No. of shares at the beginning of the year (As on 01.04.2022)				No. of shares at the end of the year (As on 31.03.2023)				% Of change during the year
	Demat	Physical	Total	% Of total shares	Demat	Physical	Total	% Of total shares	
(A) Promoter									
1 Indian									
(a) Individuals/ HUF	933	351	1284	0.00	753	350	1103	0.00	0.00
(b) Central Govt.	0	0	0	0	0	0	0	0	0.00
(c) Bodies Corporate	14003037	6787	14009824	73.74	14002962	0	14002962	73.71	-0.03
(d) FI/ Banks	0	0	0	0	0	0	0	0	0.00
(e) Any Others	0	0	0	0	0	0	0	0	0.00
Sub Total(A)(1)	14003970	7138	14011108	73.74	14003715	350	14004065	73.71	-0.03
2 Foreign									
A Individuals (NRI)	0	0	0	0	0	0	0	0	0.00
B Bodies Corporate	0	0	0	0	0	0	0	0	0.00
C Institutions	0	0	0	0	0	0	0	0	0.00
D QFI	0	0	0	0	0	0	0	0	0.00
E Any Others	0	0	0	0	0	0	0	0	0.00
Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.00
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	14003970	7138	14011108	73.74	14003715	350	14004065	73.71	-0.03
(B) Public shareholding									
1 Institutions									
(a) Mutual Funds / UTI	2740	4923	7663	0.04	2740	4923	7663	0.04	0.00
(b) FI / Banks	51865	5891	57556	0.30	26865	5891	32756	0.17	-0.13
(c) Alternative Investment Fund	0	0	0	0	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
(e) Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
(f) FII's	0	0	0	0	0	0	0	0.00	0.00
(g) Foreign Venture									

	Capital Investors	0	0	0	0	0	0	0	0.00	0
(h)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0.00	0
(i)	Any Other	0	0	0	0	0	0	0	0.00	0
(i-ii)	Overseas Bodies Corporate	0	0	0	0	0	0	0	0.00	0
	Sub-Total (B)(1)	54605	10814	65419	0.34	29605	10814	40419	0.21	-0.13
B 2	Non-institutions									
(a)	Bodies Corporate	1948274	8578	1956852	10.30	1882160	8578	1890738	9.95	-0.35
(b)	Individuals									
	Individual shareholders holding share capital up to Rs 1 lakh	1724368	111937	1836305	9.67	1927308	117383	2044691	10.76	1.10
	Individual shareholders holding share capital in excess of Rs. 1 lakhs.	769661	0	769661	4.05	769249	0	769249	4.05	0.00
(c)	Trust	1	0	1	0.00	1	0	1	0.00	0.00
(d)	Any Other									
(d-i)	NRI	146938	1949	148887	0.78	100712	1949	102661	0.54	-0.24
(d-ii)	Clearing Member	72497	0	72497	0.38	5514	0	5514	0.03	-0.35
(d-iii)	HUF	138148	0	138148	0.73	141540	0	141540	0.74	0.01
(d-iv)	Employees	0	1122	1122	0.01	0	1122	1122	0.01	0
	Sub-Total (B)(2)	4799887	123586	4923473	25.92	4826484	129032	4955516	26.08	0.17
	Total Public Shareholding (B) = (B)(1) + (B)(2)	4854492	134400	49888892	26.26	4856089	139846	4995935	26.29	0.03
	TOTAL (A)+(B)	18858462	141538	19000000	100.00	18859804	140196	19000000	100.00	0.00
(C)	Shares held by Custodians for ADRs and GDRs									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (C)	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	18858462	141538	19000000	100.00	18859804	140196	19000000	100.00	0.00

(ii) Share Holding of Promoters:

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.Nandkishor Kagliwal	480	0.00	-	480	0.00	-	-
2.Jeevanlata N. Kagliwal	213	0.00	-	213	0.00	-	-
3.Subhash Kagliwal	25	0.00	-	25	0.00	-	-
4.Mrs Sweta Kagliwal	180	0.00	-	180	0.00	-	-
5.Akash Kagliwal	181	0.00	-	181	0.00	-	-
6.Ashu Jain	181	0.00	-	0	0.00	-	-
7.Anil Kagliwal	24	0.00	-	24	0.00	-	-
8.NCFS Limited	823	0.01	-	823	0.01	-	-
9.Paresh Farms Pvt. Ltd	27151	0.14	-	20364	0.11	-	-
10.Prabha Farms Pvt. Ltd	32139	0.17	-	32089	0.17	-	-
11.Jeevan Farms Pvt. Ltd	82157	0.44	-	82132	0.44	-	-
12.Akash Farms LLP	6927809	36.46	1.44	6927809	36.46	-	-
13.Ashu Farms LLP	5939745	31.26	-	5939745	31.26	-	-
14.Tapovan Paper and Board Mills Ltd	1000000	5.26	-	1000000	5.26	-	-
Total	14011108	73.74	-	14004065	73.71	-	-

(iii) Change in Promoter's shareholding: -

	No of Shares	% Holding
At the beginning of the year	14011108	73.74
At the end of the year	14004065	73.71

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

Sr No	Name	No. of Shares at the beginning of the year	% of total shares of the company	No. of Shares at the end of the year	% of total shares of the company
1	Mayo Farm LLP	644086	3.39	977419	5.14
2	Tapovan Farms LLP	405651	2.13	412901	2.17
3	Wexford Trading Co Pvt Ltd	333333	1.75	0	0.00
4	Malpani Financial Services Limited	124485	0.66	125516	0.66
5	Adesh Venture LLP	244798	1.29	244798	1.29
6	Ritman Concrete Pvt. Ltd.	109468	0.58	64692	0.34
7	Vijaypriya S Mollyn	41742	0.22	0	0.00
8	Sudhir Laxman Nayak	98704	0.52	0	0.00
9	Seetha Kumari	53866	0.28	56069	0.30
10	J M Financial Services Ltd	36531	0.19	0	0.00

(v) Shareholding of Directors & KMP: -

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1. Jeevanlata N. Kagliwal	213	0.00	-	213	0.00	-	-
2. Akash N Kagliwal	181	0.00	-	181	0.00	-	-
Total	394	0.00	-	394	0.00	-	-

V. INDEBTEDNESS:

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

Rs. In Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the Beginning of the financial Year				
i)Principal Amount	40.36	35.34	-	75.70
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	40.36	35.34	-	75.70
Changes during financial year				
Addition	33.98	10.79		44.77
(Reduction)				
Net Change	33.98	10.79		44.77
Indebtedness at the end of the Financial year				
i)Principal Amount	74.34	46.13	-	120.47
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	70.34	46.13	-	120.47

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

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Akhilesh Sharma (Director)	
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	8.62
	b) Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	-
	Total 1	8.62
	Akash Kagliwal (Director)	
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	22.83
	b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	-
	Total 2	22.83
	Abhay Kumar Jain (Director)	
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	24.99
	b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of	-

	the Income Tax Act 1961	
	Total 3	24.99
	Grand Total 1 to 3	56.44

B. Remuneration to other directors:

Consultancy fees paid to Mrs Jeevanlata Kagliwal

Rs. 18.00 Lakhs

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Vijay Saboo (CFO)	
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	32.70
	b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	-
	Total 1	32.70
2	Ms Nupur Lodwal Director Cum Company Secretary	
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	2.42
	b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	-
	Total 2	2.42
	Grand Total 1 and 2	35.12

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

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

Annexure - II

CORPORATE GOVERNANCE REPORT

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

Every company is based on certain robust principles which guides it towards its destination. Corporate Governance is one such exercise which helps in paving the way for an honest and ethical work environment. It is not a discipline imposed by a Regulator, but is a culture that guides the Board, Management and Employees to function towards best interest of Stakeholders.

The Corporate Governance philosophy stems from the belief that Corporate Governance is a key element in improving efficiency and growth as well as enhancing stakeholder's confidence. Accordingly, the Corporate Governance philosophy has been scripted as under:

“As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.”

It is based on the belief that the company shall go beyond adherence to regulatory framework. The company's corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems.

2. Board of Directors and Board Meetings:

The Board of Directors of the Company (Board) has optimum combination of Executive, Non-Executive Independent Directors as provided in the Listing Agreement to ensure independency and transparency in managerial decision making in Board and Committee Meetings, to secure the interest of the company, its employees, stakeholders and creditors. As on 31st March 2023 Board comprises Three Whole Time / executive Directors, one Woman Non-Executive Director and three Independent Non-Executive Directors. The details of the composition of the Board of Directors and details of other directorship held by them, during the year are mentioned as below:

Name	Category	No of outside Directorship held in Public Limited Companies	Committee Member ship	Committee Chairman ship
Mr. Akhilesh Sharma	Executive Director	-	-	-
Mr. Abhay Kumar Jain	Executive Director	-	-	-
Mrs. Jeevanlata Kagliwal	Non-Executive Women Director	6	3	-
Mr Kashinath Iyer Ganpathy	Non-Executive & Independent Director	1	4	1
Mr. Hitesh Purohit	Non-Executive & Independent Director	4	4	4
Mr Madhukar Deshpande	Non-Executive & Independent Director	-	-	-
Mr Akash Kagliwal	Managing Director	-	-	-

3. Meeting and Attendance record of each Director

During the year ended 31st March 2023, Six Meetings of the Board were held on the following date:

(1)30.05.2022 (2) 10.08.2022 (3) 14.11.2022 (4) 14.02.2023 (5) 24.03.2023 (6) 31.03.2023

The attendance record of the Directors at the Board Meetings held during the year ended 31st March, 2023 and the last Annual General Meeting (AGM) of the Company are as under:

Name of the Director	Board Meetings	Last AGM (Y/N)
Mr. Akhilesh Sharma	6	Yes
Mr. Abhaykumar Jain	6	Yes
Mrs Jeevanlata Kagliwal	6	Yes
Mr Kashinath Iyer Ganpathy	6	Yes
Mr Hitesh Purohit	6	Yes
Mr Madhukar Deshpande	6	Yes
Mr Akash Kagliwal	4	NA

4. Audit Committee:

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

Composition, attendance and dates of Meetings:

During the financial year 2022-23, Composition of Audit Committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Kashinath Iyer Ganpathy	Chairman	5
Shri Abhay kumar jain	Member	5
Shri Hitesh Purohit	Member	5

During the Financial Year 2022-23, Five Meetings of the Audit Committee members were held on the following dates:

(1) 30.05.2022 (2) 10.08.2022 (3) 14.11.2022 (4) 14.02.2023 (5) 31.03.2023.

Terms of reference:

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

5. Corporate Social Responsibility Committee (CSR) :

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

Composition, attendance and dates of Meetings:

During the financial year 2022-23, Composition of CSR Committee and the meetings attended by members are as follows:

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

During the Financial Year 2022-23, Two Meetings of the CSR Committee members were held on (1) 30.05.2022 and (2) 31.03.2023

Terms of reference:

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

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

6. NOMINATION AND REMUNERATION COMMITTEE:

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

Composition, attendance and dates of Meetings:

During the financial year 2022-23, Composition of nomination and remuneration committee and the meetings attended by members are as follows:

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

Meetings and Attendance during the year:

During the Financial Year 2022-23, Two Meetings of the Committee were held on 30.05.2022 and 31.03.2023

Terms of reference

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

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

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

Details of Remuneration to all the Directors and/or Managers

Particulars of Remuneration	Shri Akhilesh Sharma – Executive Director	Shri Abhay Kumar Jain Executive Director	Shri Akash Kagliwal – Managing Director	Mrs. Jeevanlata Nandkishor Kagliwal – Non – Executive Promoter Director	Shri Madhukar Deshpande Independent Non – Executive Director	Shri Kashinath Iyer-Independent – Non – Executive Director	Shri Hitesh Purohit Independent Non – Executive Director	Shri Vijay Saboo CFO	Ms. Nupur Lodwal Company Secretary
Salary as per Provisions of Section 17(1) of I.T.Act,1961	8.62	24.99	22.83	18.00	NIL	NIL	NIL	32.70	2.42
Perquisites as per Provisions of Section 17(2) of I.T.Act,1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Profit in view of Salary u/s 17(3) of I.T.Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Stock option/ Sweat equity/ commission/ others	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	8.62	24.99	22.83	18.00	NIL	NIL	NIL	32.70	2.42

During the year no sitting fees paid to any Directors.

7. STAKEHOLDER RELATIONSHIP COMMITTEE

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

Composition, attendance and dates of Meetings:

During the financial year 2022-23, Composition of stakeholder relationship committee and the meetings attended by members are as follows:

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

Meetings and Attendance during the year:

During the Year 2022-23, Two Meetings of the Committee were held on 10.08.2022 and 31.03.2023.

Terms of reference

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

Name & Designation and Address of the Compliance Officer

Ms. Nupur Lodwal – Company Secretary

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

Ramesh Sidram Phadatare – Deputy General Manager,
Nath Industries Limited
Office: 1, Chateau Windsor,
86, Veer Nariman Road,
Churchgate, Mumbai – 400 020

Status of Complaints received, resolved and pending as on 31st March, 2023

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

GENERAL BODY MEETINGS

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

Year	Day, Date and Time	Venue
2019-20	30 th September, 2020 at 03.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2020-21	30 th September, 2021 at 02.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2021-22	30 th June, 2022 at 03.00 p.m.	Nath House, Nath Road, Aurangabad – 431 005

POSTAL BALLOT

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

EXTRAORDINARY GENERAL MEETING:

During the year under review, an Extra Ordinary General Meeting was held on 29.12.0222

8 DISCLOSURES

Related Party Transaction

Transaction entered into with the related parties during the year were in the ordinary course of the business and at arm's length prices and hence do not attract the provisions of Section 188 of the Companies Act and AOC-2 is not applicable. No material or significant transactions were carried out with Promoters, Key Managerial Personnel or designated persons which may lead to conflict of interest with the Company. Details of transaction entered into with the related parties as required under IND AS are disclosed in the Financial Statements.

Statutory Compliance, Penalties and Structures

The requirements prescribed by Stock and Exchange Board of India (SEBI), Bombay Stock Exchange (BSE) and other Statutory Authorities have been complied with related to the capital market. No penalties have been levied nor structures have been imposed in last three years on the Company on matters related to capital markets.

Whistle Blower Policy/Vigil Mechanism Policy

The company has framed a formal Whistle Blower Policy / Vigil Mechanism Policy. The company also has devised a policy of Code of Conduct for its employees including Directors. The Board affirms that no person have been denied access to the Audit Committee.

Reconciliation of Share Capital Audit

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

9. MEANS OF COMMUNICATION

As per the requirement of listing agreement, the quarterly, half yearly and yearly financial results are submitted to the Stock Exchange and also uploaded on the Company's website **www.nathindustries.com**. The other information as required under the listing agreement or the Companies Act, 2013 or any other law which is required in public interest is also uploaded on the website **www.nathindustries.com**.

10. GENERAL SHAREHOLDERS MEETING

a. Annual General Meeting

Date, Time and Venue	29th September, 2023 at 12.30 p.m. at Nath House, Nath Road, Aurangabad – 431 005.
Financial Year	The Financial Year of the Company is from April 1 to March 31
Date of Book Closure	26 th September, 2023 to 28 th September, 2023 (both days inclusive).
Listing on Stock Exchanges	BSE
Scrip Code/ID	502587/NATHIND

b. Financial Calendar (Tentative) :

Results for quarter ending 30 th June 2023	First week of August, 2023
Results for quarter ending 30 th Sep. 2023	Last week of Oct. 2023
Results for quarter ending 31 st Dec. 2023	First week of Feb. 2024
Results for quarter ending 31 st March 2024	Last week of May, 2024
Annual General Meeting	September 2024

c. Status of listing fees: Paid for the year 2022-23.

d. Registrar & Share Transfer Agents Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai – 400 059.

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

f. Stock Market Price Data:

Month	Stock Market Price		Month	Stock Market Price	
	High	Low		High	Low
April 2022	107.00	91.85	Oct. 2022	75.40	62.00
May 2022	95.85	75.05	Nov. 2022	75.00	63.10
June 2022	81.45	58.15	Dec. 2022	76.80	62.50
July 2022	75.95	57.00	Jan. 2023	68.00	59.00
Aug. 2022	73.65	61.60	Feb. 2023	63.75	55.15
Sept. 2022	76.80	63.00	Mar. 2023	57.96	46.60

Source - BSE web site: www.bseindia.com

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

h. Shareholding Pattern and Distribution of equity shareholding as on 31st March, 2023.

i) Shareholding Pattern

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

ii) Distribution of Shareholdings as on 31st March, 2023

No. of Equity Share Held in Rs	No. of Share Holders	% of Share Holders	Shares.	% of Total
1-500	28619	97.02	682011	3.59
501-1000	346	1.17	274563	1.45
1001-2000	244	0.83	370958	1.95
2001-3000	90	0.31	230118	1.21
3001-4000	41	0.14	146709	0.77
4001-5000	32	0.11	146797	0.77
5001-10000	60	0.20	417228	2.20
10001-above	65	0.22	16731616	88.06
Total	29497	100%	190000000	100%

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

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

j. **Plant Location:**

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

k. **Address for Correspondence:**

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

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

Nath Industries Limited
 1, Chateau Windsor, 86, Veer Nariman Road,
 Churchgate, Mumbai – 400 020

Tel.No. +91-22-22875653/54/55

Email: investor@nathindustries.com Website: www.nathindustries.com

l. Compliance Certificate of The Auditors

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

m. CEO and CFO Certification

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

n. Compliance with Code of Conduct

As Stipulated under the provisions of Regulation 34(3) read with Part D of Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended on March 31, 2023.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2023

Akash Kagliwal
Managing Director
(DIN:01691724)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

1. We have examined the compliance of conditions of Corporate Governance by Nath Industries Limited ("The Company"), for the year ended on 31st March, 2023 as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For Vidya & Co
Chartered Accountants
(Firm's Registration No. 308022E)

Amit Nagar
PARTNER
(Membership No. 056156)
Mumbai, 30th May 2023

CEO and CFO Compliance Certificate

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

a) We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and belief:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023 are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

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

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

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

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

Akash Kagliwal
Managing Director

Vijay Saboo
Chief Financial Officer

Place: Mumbai

Date: 30.05.2023

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

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

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

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2023.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2023

Akash Kagliwal
Managing Director
(DIN:01691724)

Annexure III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

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

At Nath Industries Limited, Corporate Social Responsibility (CSR) is being embedded in the long-term business strategy of the Company. For Nath Industries Limited, business priorities and social commitments are meant to co-exist in harmony for the development of people and communities at large. The Company's CSR initiative is in promoting education including special education & employment enhancing vocation skills.

2. The Composition of the CSR Committee as on 31.03.2023.

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

3. Average net profit of the Company for last three financial years: Rs. 1,889.00 lacs
4. Prescribed CSR expenditure: Rs. 37.88 lacs
(two percent of the amount mentioned in item 3 above)
5. Details of CSR spent during the financial year: Rs. 38.00 lacs
 - Total amount to be spent for the financial year: Rs. 38.00 lacs
 - Amount unspent, if any: Nil

Manner in which the amount spent during the year: Details given below:

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2022-23

S. No.	CSR Project or Activity identified Sector in which project is covered (Clause no of Schedule VII to the Companies Act 2013 as amended)	Project of Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Spent	Mode of Implementation - Direct-(Yes/No)	Name of the implementation agency and CSR Registration No
	(ii)-Education	Local Area- Maharashtra	Rs 38.00 lacs	No	N Kagliwal Education & Research Foundation – CSR Reg No : CSR00026749

Annexure IV

MANAGEMENT DISCUSSIONS AND ANALYSIS

1. INDUSTRY OVERVIEW

A. PAPER INDUSTRY

The Indian Paper Industry is the Fifth largest producer of the paper in the world and considered as an important contributor in National Manufacturing Sector. However it accounts only 3.50% of the world paper production and hence it has an immense opportunities for the paper sector to grow sustainably.

In India, the per capita paper consumption is around 15 kg, which is likely to grow to over 30 kg in the next few years, whereas the global average is close to 60 kg. These numbers itself shows the scope for the Indian paper industry. Domestic consumption will help to achieve the growth, and objective of GOI to become a 5 trillion-dollar economy through exports. Currently, India stands at three trillion dollars, we see an opportunity coming our way in the next few years. The global supply chain is getting more integrated, and there are immense opportunities as the manufacturing base shifting to India.”

The Clean India mission set by the Government is not possible without the paper industry. The Government has been working with sincerity to ban litter and environmental issues caused by single-use plastics and there is no other viable alternative than paper.

The Indian paper industry has experienced a significant improvement in operating margins due to factors like China’s ban on paper waste and supply disruptions from the Russia-Ukraine war. Sanctions placed on Russia and ban on paper manufacturing in China have created export opportunities.

Looking ahead to FY24, a moderation in top-line and operating margins is anticipated. The Indian paper and paperboard packaging market is projected to grow at a CAGR of 6.6 per cent until 2027. The industry witnessed a rise in sales volumes, higher production, and a remarkable 45 per cent growth in sales revenues in FY23. Supply-demand disruptions led to higher realisations, while imports of raw materials and uncertainty in the industry pose challenges for future growth.

B. CHEMICAL INDUSTRY

India is the 6th largest producer of chemicals in the world and 3rd in Asia contributing 7% of its GDP.

Domestic demand is expected to rise from US\$ 170 billion -US\$ 180 billion in to US\$ 850 billion to US\$ 1000 billion by 2040.

Rise in demand from end-user industries such as food processing, personal care and home care is driving development of different segments in India’s specialty chemicals marker.

2. Opportunities and Threats

PAPER INDUSTRY

Products made from paper have facilitated cultural advancement and literacy, two notions that are essential to society. Each year, around 400 million metric tonnes of paper are produced and used worldwide.

The two most promising growth sectors in the market that are currently receiving more attention from the industry are packaging materials and sanitary goods. As of 2018, packaging accounted for 58% of all paper and board production worldwide, and graphic paper, at 29%, is the second-largest grade of paper.

Post – COVID-19 pandemic, industry growth is being driven by renewed demand in both domestic markets and globally within some paper and board segments, however, some paper and board segments experienced a drop in demand. The production of packaging grades has increased by 7.1% compared to 2020, apparently reaching an all-time high in 2021. The production of wrapping grades, which are used for paper bag production, also increased by 11.6%. However, the graphic grades segment is experiencing an accelerated structural decline, with overall output falling by 19% in 2020.

And, as is common among highly complex businesses, there are various reasons for the challenges the industry is currently facing along with counteracting opportunities to overcome these challenges

PAPER AS AN ECOFRIENDLY RESOURCE

Paper can be recycled up to 6-7 times, making it one of the most recycled products in the world. Apart from recyclable in nature, it is also biodegradable and compostable. Hence it is the most eco-friendly in nature.

MANUFACTURING PROCESS EFFICIENCY

Over the period of time, the consumption of water by paper industry has been reduced by 80% by deploying modern technology solutions and captive power generations to achieve water and energy efficiency. Saving in water and electricity consumption are environment-friendly measures to reduce their carbon and water foot-print.

OPPORTUNITY FOR THERMAL PAPER

Thermal sensitive paper is a highly technical grade of paper. It changes colour when exposed to heat. These papers are made through application (Coating) of specially made heat sensitive materials (Coating Formulation). When the paper is subjected to heat (via a thermal paper printer), the chemicals in the coated layer react and manifest into a colour form. The result is a sharp, clear image, without the need for ink or ribbons.

This technology has created for manifold opportunities for rechargeable hand hold printing devices which can be used in POS machines, printing receipts or invoices and labels , regional transport

sector, restaurants, theatres etc. This paper is also used in printing of test reports. Because of its easy to use nature, the growth potential for this paper is tremendous.

RISING COSTS

Paper consumption per capita in India is very low resulting in lower waste generation in India. Hence dependency for recycled waste paper through import is very high. The cost of waste paper is affected by various factors such as lower generation of waste, disruptions in supply chain, decisions of countries banning paper manufacturing or lifting the ban from manufacturing. Hence the prices of waste paper has been on higher side since post covid-19.

DISCRETIONARY SPENDS

Events like rising inflations, recession and weak sentiments impact the sectors which are considered as discretionary spends sector such as furniture and fixtures, gifting and decorative industries. Absorbent kraft paper are used in manufacturing of Laminates which are used in Furniture industry. Tissue papers manufactured as used in decorative industry. Hence in rising inflation scenario or global weak sentiments, the demand for laminates or decorative paper is likely to get affected.

CHEMICAL INDUSTRY

OPPORTUNITIES: -

India's specialty chemical companies are expanding capacities to cater to the rising demand from domestic and overseas.

With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.

POLICY SUPPORT

The Government plans to introduce production linked incentives (PLI) schemes to promote domestic manufacturing of agrochemicals.

Under the Union Budget 2023-24, The Government allocated Rs. 173.45 Cr (US\$ 20.93 million) to the Department of Chemicals and Petrochemicals.

INCREASING INVESTMENT AND SPENDING

FDI inflows in the chemical sector (other than fertilizers) reached US\$ 20.96 Billion between April 2000 to December 2022.

The Department of Chemicals & Petrochemicals intent to PLI in Chemicals & Petrochemicals sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) Guidelines.

Exports

At present, the Company is exporting in 22 countries and witnessing steady demand from the Export markets. The Company is engaged in the manufacturing of specialty paper viz Absorbent Kraft which is used in Laminates Industry, MacD which is used for paper bag manufacturing, Therma Paper which is used in POS machines and also used wide application. All these segments are growing segment across the world which will in turn create demand for the papers manufactured by the company. Looking at the demand, the Company has set the target of achieving 50% revenue of paper division from the export market in next 5 years.

3. Internal Control Systems and their adequacy

The Company believes that Internal Control System is an important pillar of corporate Governance. The Company has adequate internal controls and standard operating procedures in place covering all financial and operational functions commensurate with the size and nature of the business. The same are reviewed and monitored through internal audits and operational Reviews. Company has also installed ERP system ‘PAPERBIZ’ which has also helped in strengthening internal controls.

4. Financial performance with respect to operational performance

The Company achieved total income of Rs. 414.42 Crores and recorded EBIDTA of Rs. 12.37 Crores. As mentioned, the margins were low because of lower recovery of fixed overheads due to shutting down of plants for expansion.

5. Development in human resources/industrial relations front

Relations with the employees remain cordial during the year. Human resource development is a continuous process which is achieved through documenting SOPs, on-job training and orientation, safety drills which results in skill development of the employees.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2023

Akash Kagliwal
Managing Director
(DIN:01691724)

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

- (i) The percentage increased in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y.2022-23 (in Lakhs)	% Increase in Remuneration in the F.Y. 2021-22
1	Shri Akhilesh Sharma	8.62	0%
2	Shri Akash kagliwal	22.83*	0%
3	Mrs. Jeevanlata Kagliwal	18.00	0%
4	Shri Abhaykumar Jain	24.99	12.01%
5	Shri Vijay Saboo	32.70	0%
6	Ms. Nupur Lodwal	2.42	0%

*was inducted in the Board of Directors in Nov 22.

Annexure VI

RISK MANAGEMENT POLICY

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

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

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

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

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

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

The risk management policy will cover the following areas:

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

ANNEXURE VII

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

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

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

Based on my verification of the **M/s. Nath Industries Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31stMarch, 2023** complied with the statutory Provisions listed hereunder and also that the Company has proper broad-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Nath Industries Limited** for the financial year ended on **31stMarch, 2023** according to the provisions of:

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

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

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

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

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

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

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

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

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

Place: Aurangabad
Date: 30.05.2023

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

INDEPENDENT AUDITOR'S REPORT

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

1. Report on the Financial Statements

We have audited the accompanying financial statements of M/s Nath Industries Ltd, which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information including the statement of Other Comprehensive Income, Cash Flow statement and Statement of changes in Equity for the year ended and Notes to the Ind AS Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion & to the best of our information and according to the explanation given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the act') in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2023, its profit including other comprehensive income and its cash Flow and the changes in equity for the year ended on that date.

2. Management's Responsibility for the Financial Statements

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

3. Auditor's Responsibility

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

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

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

6. Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;

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

Report on Other Legal and Regulatory Requirements

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

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

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
- (ii) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from examination of those books;
- (iii) The Balance Sheet, Statement of Profit and Loss and cash Flow statement dealt with by this Report are in agreement with the books of accounts;
- (iv) In our opinion, the aforesaid Ind AS financial statements including the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards notified under the Act, read with Rule 7 of the Company's (Accounts) Rules, 2014 & read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (v) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, We report that none of the director is disqualified as on March 31, 2022, from being appointed as a director in terms of subsection (2) of section 164 of the Companies Act, 2013.
- (vi) In our opinion & to the best of our information and according to explanation given to us, we report with respect to other matters to be included in Auditors Report in accordance with Rule 11 of the companies (Audit & Auditors) Rule 2014 as under.

- i. The company does not have any pending litigation which would impact its financial position except Service Tax liability and excise duty as per para (vii) (b) of the Annexure `A` of this report.
- ii. The company did not have any long term contracts including derivative contracts, as such the question of commenting any material foreseeable losses there on does not arise
- iii. There has been no delay in transferring amounts required to be transferred, to The Investors Education & Protection Fund by the company.

For VIDYA & CO
Chartered Accountants
Firm Reg No. 30822E

Place: Mumbai
Date: 30th May 2023

Amit Nagar
Partner
Membership No:-056156
UDIN: 23056156BGVRYJ2004

The Annexure `A` referred to in paragraph 7 of our Report of even date to the members of M/s Nath Industries Ltd. on the accounts of the company for the year ended 31st March, 2023

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

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

1. Nath Pulp and Paper Mills Limited:-

Freehold land

Situate at Wahegaon Gut no 319 to 324, 50/2 to 50/6, 37/3, At Issarwadi Gut no 54/1 to 54/5, At Pimpalwadi 26/1, Gut No 124 (S No 54), Village Mudalwadi,

All above lands parcels are situated at Taluka Paithan, Dist Aurangabad,

Maharashtra - 431 148

Gross Value Rs. 5136.63 lakhs

Net Rs. 5136.63 lakhs

Total Area 4,93,676 sq meter

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

Reason - Transfer/Registration is under process

2. Nath Industrial Chemicals Limited:-

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

Gross Value Rs. 4682.40 lakhs

Net Rs. 4375.36 lakhs

Area 39020 sq meters,

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

Reason – Transfer/Registration is under process

Revaluation & holding Benami Property - Not applicable for the year ended on 31/3/2023.

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

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

- b) The company has been sanctioned working capital limits in excess of 5 crores, in aggregate, from banks on the basis of security of current assets. Quarterly returns or statement filed by the company with such banks are in agreement with books of accounts.
- iii). a) Company has made investments in shares, provided guarantee, & granted unsecured loans & advances in the nature of loans to companies, firms or limited liability Partnerships.

Aggregate amount advanced given to parties other than subsidiaries, joint ventures & associates is Rs.2,14,50,835/- & Balance outstanding at the balance sheet date is Rs. 46,89,331/- which consist of Rs. 44,90,272/- being advance given for CSR Expense.

Aggregate amount of Corporate Guarantee and collateral security provided is for Rs. 6,00,00,000 (Rupees Six Crores Only) to Tapovan International Trading Pvt Ltd for the loan availed by them from Malkapur Urban Co-op Bank Ltd.

- b) Investments made, guarantee provided & terms & conditions of all the loans & advances in the nature of loans & guarantees provided are not prejudicial to the company's interest.
- c) In respect of loans & advances in the nature of loans, schedule of repayment of principal & interest is not stipulated Receipt of the principal amount are regular. However receipt of interest is not regular.
- d) There is no overdue amount as on 31st March 2023.
- e) No loans & advances in the nature of loans, has fallen due during the year. Hence question of renew or extension or granting of fresh loan do not arise.
- f). Company has granted loans & advances in the nature of loans, either repayable on demand without specifying any terms or period of repayment, aggregating Rs. 44,90,272/- being advance for CSR Expenses. Percentage to total loans granted is 95.76%
Aggregate amounts of loans are granted to related parties as defined in section 2 (76) of the companies act 2013 Rs. 44,90,272 /-
- iv). In respect of loans, investments, guarantees, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v). The company has not accepted deposits, hence question of compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 companies Act 2013 or any other relevant provisions of the companies Act 2013 and the rules framed there under, are not applicable to the company
- vi).a). Maintenance of cost records has been specified by CG u/s 148(1) of the Companies Act, 2013,
- b). Such cost accounts & records are being made & maintained by the company.

- vii).a) As per the records of the company and according to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, income tax, sales tax, Service tax, custom duty, Excise duty, cess, value added tax and other statutory dues, to the extent applicable to it.
- b) Company has not deposited disputed Service tax, & disputed Excise Duty In respect of Vapi Plant & Aurangabad Plant respectively as under. Appeal by the company are pending before Appellate Authorities.

Name of statue	Forum where the dispute is pending	Amount Rs	Period to which the Amount Relates
Service Tax	Unit –Rama Paper- Customs Excise & Service Tax Appellate Tribunal, Ahmadabad.	2,59,56,040/-	16.05.2008 to 31.03.2010
Excise Duty	Unit- Nath Paper – Commissioner of appeal, Nasik has remanded back dispute to assessing officer	90,90,655	2010-2011 to 2014-2015
Excise Duty	Unit- Nath Chemicals Customs Excise & Service Tax Appellate Tribunal, Ahmadabad for reversal of Modvat	8,84,386	2003-04 to 2007-08

- viii). There is no unrecorded transaction or income in the books of the company which is surrendered or disclosed as income during the year.
- ix). a) The company has not defaulted in repayment of loans from Financial institution or bank or debenture holders.
- b) Company is not declared as willful defaulter by any bank or financial institution or any lender.
- c) Company has taken term loans from Bank and term loans were applied for the purpose for which they were obtained.
- d) Funds raised on short term basis have not been utilized for long term purposes.

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

- xix) In our opinion & according to information & explanation given to us, there is no material uncertainty exists on the date of audit report. Company is capable of meeting its liabilities existing at the date of balance sheet and when they fall due within a period of one year from the balance sheet date.
- xx) There is no unspent amount as per provisions of section 135 of the Companies Act, 2013
- xxi) In our opinion & according to information & explanation given to us, there are no qualifications or adverse remarks by respective auditors in the CARO reports of group companies

For VIDYA & CO
Chartered Accountants
Firm Reg No. 30822E

Place: Mumbai
Date: 30th May 2023

Amit Nagar
Partner
Membership No:-056156
UDIN: 23056156BGVRYJ2004

Annexure B to the Auditors' Report

Report on the Internal Financial control under Clause (i) of Sub – section 3 of Section 143 of the Companies Act, 2013 (the Act).

We have audited the Internal Financial controls over financial reporting of M/s Nath Industries Ltd as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting.

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparing of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VIDYA & CO
Chartered Accountants
Firm Reg No. 30822E

Place: Mumbai
Date: 30th May 2023

Amit Nagar
Partner
Membership No:-056156
UDIN: 23056156BGVRYJ2004

Nath Industries Limited
Balance Sheet as at March 31, 2023
L21010MH1980PLC022820

(Rs. in Lakhs)

Particulars	Note No.	As on 31.03.2023	As on 31.03.2022
Assets			
Non-current assets			
(a) Property, plant and equipment	2	20,531.62	20,648.85
(b) Capital work-in-progress	2	5,946.06	459.62
(c) Financial assets			
(i) Investments	3	0.20	0.20
(ii) Loans and Advances	4	365.26	367.61
(iii) Other Financial Assets	5	654.96	415.85
(d) Other non-current assets	6	2,118.03	4,101.09
		29,616.13	25,993.22
Current assets			
(a) Inventories	7	4,747.90	4,160.71
(b) Financial assets			
(i) Investments	8	751.45	1,135.02
(ii) Trade receivables	9	5,518.12	6,348.92
(iii) Cash and Cash Equivalents	10	14.47	65.19
(iv) Other Current Financial Assets	11	478.20	140.34
(c) Other current assets	12	2,122.61	1,398.97
		13,632.75	13,249.15
Total Assets		43,248.88	39,242.37
Equity and Liabilities			
Equity			
(a) Equity share capital	13	1,900.00	1,900.00
(b) Other equity	14	22,419.24	22,536.38
		24,319.24	24,436.38
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	3,284.32	1,897.80
(ii) Deferred Sales Tax Liabilities payable as per Govt Scheme	16	3,010.82	2,979.20
(b) Provisions	17	557.95	555.53
(c) Deferred tax liabilities (net)	18	2,309.82	2,576.01
		9,162.91	8,008.54
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	5,751.83	2,692.54
(ii) Trade payables	20	2,781.10	2,608.74
(b) Other current liabilities	21	840.91	902.86
(c) Provisions	22	392.89	327.55
(d) Current Tax Liabilities (net)	23	-	265.76
		9,766.73	6,797.45
Total Equity and Liabilities		43,248.88	39,242.37
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 47		

IN TERMS OF OUR REPORT ATTACHED
FOR VIDYA & CO
CHARTERED ACCOUNTANTS
FIRM REG. NO. 308022E

AKASH KAGLIWAL
(MANAGING DIRECTOR)

AMIT NAGAR
(PARTNER)
M NO. 056156
UDIN:-23056156BGVRYJ2004
PLACE: MUMBAI
Date:-30th May 2023

ABHAYKUMAR JAIN
(DIRECTOR)

Nath Industries Limited
Statement of Profit and Loss for the year ended March 31, 2023
L21010MH1980PLC022820

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
Income			
Revenue from operations	24	40,820.70	42,076.63
Other income	25	591.75	241.10
Total income		41,412.45	42,317.73
Expenses			
Cost of material consumed	26	27,444.01	28,059.03
Purchase - Trading	27	493.85	409.21
Changes in inventories	28	6.98	(705.90)
Employee benefits expense	29	2,056.27	1,908.52
Finance costs	30	501.06	442.61
Depreciation and amortization expense	2	713.18	674.49
Other expenses	31	10,174.71	9,901.04
Total expenses		41,390.07	40,689.00
Profit before tax		22.38	1,628.73
Tax expense :			
(1) Current tax	32	25.23	449.97
(2) Deferred tax		(266.19)	69.11
(3) Income tax adjustment of earlier years		(4.07)	(554.93)
Total		(245.04)	(35.86)
Profit for the year		267.43	1,664.59
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax related to items that will not be reclassified to profit or loss		-	-
		(383.57)	(179.53)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax related to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the period		(116.15)	1,485.06
Earnings per equity share			
(1) Basic		1.41	8.76
(2) Diluted		1.41	8.76
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 47		

IN TERMS OF OUR REPORT ATTACHED
FOR VIDYA & CO
CHARTERED ACCOUNTANTS
FIRM REG. NO. 308022E

AMIT NAGAR
(PARTNER)
M NO. 056156
UDIN:-23056156BGVRYJ2004
PLACE: MUMBAI
Date:-30th May 2023

FOR NATH INDUSTRIES LIMITED

AKASH KAGLIWAL
(MANAGING DIRECTOR)

ABHAYKUMAR JAIN
(DIRECTOR)

(Rs. in Lakhs)

Particulars	For the Year Ended 31st Mar. 2023		For the Year Ended 31st Mar. 2022	
A. Cash flow from operating activities				
Net Profit after Tax		267.43		1,664.59
<u>Adjustments for:</u>				
Depreciation and amortisation	713.18		674.49	
Finance costs	501.06		442.61	
Tax Expenses	(240.97)		(35.86)	
Interest income	(85.70)		(46.19)	
Dividend Income	(10.68)		(0.04)	
Loss/ (Profit) on Sale of Investment	20.14		(10.68)	
	-	897.03		1,024.33
Operating profit / (loss) before working capital changes		1,164.45		2,688.92
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(587.19)		(694.85)	
Trade receivables	830.81		(932.42)	
Security Deposits	(239.12)		-	
Other non-Current Financial Assets	-		25.96	
Current Financial Assets	(337.87)		(51.45)	
Other Current Assets	(723.63)		(194.04)	
Other non-current Assets	1,322.40			
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	172.38		18.83	
Other current liabilities	(61.95)		159.82	
Net Income tax Paid	(279.94)		(25.01)	
Provision for Expenses / (Paid)	66.56		12.51	
Short Term Employee Benefits Paid	(1.23)		(44.92)	
Long Term Employee Benefits Paid	2.41	163.64	65.27	(1,660.30)
Net cash flow from / (used in) operating activities (A)		1,328.09		1,028.62
B. Cash flow from investing activities				
Capital expenditure on fixed assets	(596.94)		(1,097.32)	
Change in Capital work in progress	(5,486.44)		(357.93)	
Proceed from Sale of Shares / (Investment in Shares)	-		(1,314.50)	
Advance given for Land Development	-		(23.71)	
Advance given / (Received back)for purchase of Land	44.63		(36.15)	
Loans and advances Received Back / (Given)	(8.70)		269.00	
Capital Advances Paid	616.02		(837.63)	
Interest received	85.70		46.19	
Dividend Received	10.68		0.04	
Profit/(loss) on Sale of Asset	(20.14)			
Profit/(loss) on Sale of Investment	-		10.68	
		(5,355.18)		(3,341.33)
Net cash flow from / (used in) investing activities (B)		(5,355.18)		(3,341.33)
C. Cash flow from financing activities				
Repayment of Trade & Inter corporate Deposits	-		(326.21)	
Increase in Long term Borrowings	2,094.20		1,605.11	
Increase in / (Repayment off) Deferred Sales Tax Liability	(483.08)		(104.03)	
Increase / (Repayment) of Short-term borrowings from Banks	2,866.31		1,386.02	
Finance cost	(501.06)	3,976	(442.61)	2,118.28
Net cash flow from / (used in) financing activities (C)		3,976.37		2,118.28
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(50.72)		(194.43)
Cash and cash equivalents at the beginning of the year		65.19		259.62
Cash and cash equivalents at the end of the year		14.47		65.19
Comprises: Cash and Cash Equivalents				
(a) Cash on hand		9.22		7.24
(b) Balances with banks in Current Accounts		5.25		57.95
		14.47		65.19

FOR NATH INDUSTRIES LIMITED

PLACE: MUMBAI
DATE: 30TH May 2023

AKASH KAGLIWAL
(MANAGING DIRECTOR)

M NO. 056156
UDIN:-23056156BGVRYJ2004
PLACE: MUMBAI
Date:-30th May 2023

ABHAYKUMAR JAIN
(DIRECTOR)

Statement of Changes in Equity:-

A. Equity Share Capital

(Rs. in Lakhs)

Balance as at 01st April 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2022	Changes in equity share capital during the current year	Balance as at 31st March 2023
1,900.00	-	-	-	1,900.00

Balance as at 01st April 2021	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2021	Changes in equity share capital during the current year	Balance as at 31st March 2022
1,900.00	-	-	-	1,900.00

B. Other Equity as on 31st March 2023

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2022	45.00	570.07	31.25	7,710.00	300.00	14,094.35	(214.29)	22,536.38
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	14,094.35	(214.29)	22,536.38
Profit for the year	-	-	-	-	-	267.43	-	267.43
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	(383.57)	(383.57)
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	14,361.78	(597.86)	22,420.23
Dividend	-	-	-	-	-	-	-	-
Transfer to / (From) Retained earning	-	-	-	-	-	(1.00)	-	(1.00)
Balance as at 31st March 2023	45.00	570.07	31.25	7,710.00	300.00	14,360.78	(597.86)	22,419.24

B. Other Equity as on 31st March 2022:-

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2021	45.00	570.07	31.25	7,710.00	300.00	12,429.76	(34.76)	21,051.32
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	12,429.76	(34.76)	21,051.32
Profit for the year	-	-	-	-	-	1,664.59	-	1,664.59
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	(179.53)	(179.53)
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	14,094.35	(214.29)	22,536.38
Dividend	-	-	-	-	-	-	-	-
Transfer to / (from) Retained earning	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	45.00	570.07	31.25	7,710.00	300.00	14,094.35	(214.29)	22,536.38

NOTE NO. 1

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March 2023

A. CORPORATE INFORMATION:

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

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

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

The financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 30th May 2023.

B. SIGNIFICANT ACCOUNTING POLICIES.

a) Basis of Preparation & presentation:

- i. The financial statements have been prepared on historical cost basis in accordance with applicable Indian Accounting Standards (herein after referred to as 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting.
- ii. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.
- iii. As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.
- iv. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has

ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

(b) Revenue Recognition:

(i) Products

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

(ii) Services

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

(iii) Other Income

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

(iv) Export Benefits

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

(c) Use of Estimates:

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

(d) Property ,Plant & Equipment:

- i. Land and Building held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at fair value less accumulated depreciation and impairment losses. Freehold land is not depreciated while lease hold land is amortized over its balance lease life.
- ii. Properties are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified into appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.
- iii. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.
- iv. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.
- v. Machinery spares procured along with the plant and machinery or subsequently and whose use is expected to be irregular are capitalized separately, if cost of such spares is known and depreciated fully over the residual useful life of the related plant and machinery. If the cost of such spares is not known particularly when procured along with the mother plant, these are capitalized and depreciated along with the mother plant. The written down value (WDV) of the spares is charged as revenue expenditure in the year in which such spares are consumed. Similarly, the value of such spares procured and consumed in a particular year is charges as revenue expenditure in that year itself.
- vi. Subsequent expenditure related to an item of fixed asset is added back to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.
- vii. All the other expenses of existing fixed assets, including day to day repair and maintenance expenditure, are charged to the statement of profit and loss account to the period during which such expenses are incurred.

(e) Capital work in Progress:

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

(f) Depreciation /Amortization:

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

Assets	F.Y. 2022-23 Useful Life	F.Y. 2022-23 Rate of Dep %
<u>Building :</u>		
Pulp mill building , security cabin and flats	60	1.58
Site development, drainage, bldg. staff qtrs.	60	1.58
Factory building	30	3.17
Roads	10	9.50
<u>Plant & Machinery :</u>		
Electrical installation, effluent treatment plant, gas cylinder	10	9.50
Energy conveyor equipment	25	3.80
Paper machine, gen plant & Machinery, boiler, Steam line pipe, DM plant, coal conveyor, water line	25	3.80
Energy saving equipment, steam turbine, bore well	25	3.80
Workshop plant & lab equip. Water meter	25	3.80
<u>Furniture, Fixture & Equipment:</u>		
Furniture & fixture, air conditioner	10	9.50
Office equipment	5	19.00
HF Transmitter	5	19.00
Water cooler	5	19.00
Computer	3	31.67
<u>Vehicles :</u>		
Van and Scooter	10	9.50
Motor Car	8	11.88
Pay Loader	8	11.88

- iii) The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are

expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

- iv) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work in Progress.
- v) Leasehold land is amortized over the remaining lease hold period.

(g) Intangible Assets

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

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

(h) Impairment of Tangible and Intangible Assets:

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

(i) Borrowing Costs:

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

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

(j) Investments:

- (i) Investments which are readily realizable and intended to be held for not more than a year, from the date of acquisition, are classified as current investments. All other investments are classified as non-current investments
- (ii) On initial recognition, all investments are measured at cost. The Cost comprises purchase price and directly attributable acquisition charges such as brokerages, fees and duties. If an investment is acquired, or partly acquired, by the issue of share or other securities, the acquisition cost is the fair market value of the securities issued. If an investment is acquired in exchange for an another asset, the acquisition is determined by the reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- (iii) Provision for diminution in value of investments is made to recognize a decline in the value of investments. Investments other than long term investments being current

investments are valued at cost or fair value whichever is lower, determined on an individual basis.

- (iv) On disposal of an investment, the difference between its carrying amount and net disposal proceeds, is charged to or credited to the Statement of Profit & Loss.

(k) Inventories:

- (i) Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out Method.
- (ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value which includes appropriate production overheads.
- (iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(l) Cash & Cash Equivalents:-

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

(m) Government Grants

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

(n) Loans & Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using effective interest

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

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

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

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

Further, with the introduction of GST, Company was eligible to get refund of Gross SGST for the period of 1st Nov 2015 to 31st October 2020, based upon approved eligible investment. Accordingly, Company had recognized refund receivable as current Asset and deferred its repayment as Non-Current Liability.

(p) Taxes on Income

Income Tax

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

Deferred Tax Asset /Liability

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

Current and deferred tax for the period

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

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

(q) Foreign Currency Transactions:

i) Initial Recognition

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

ii) Conversion

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

(r) Employee Benefits :

i) Defined Contribution Plan

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

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

ii) Defined Benefit Plan;

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

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

Defined benefit costs are composed of:

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

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

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

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

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

Gratuity:

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

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

Leave Encashment:-

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

Bonus:-

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

(s) Financial Assets at Amortized Cost:

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

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

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

(u) Dividend Distribution to Equity-holders

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

(v) Earning Per Share:

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares

outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(w) Provisions & Contingent Liabilities:

Provisions:

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

Contingent Liabilities:

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

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

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

(y) Financial Liabilities:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

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

(z) Reclassification of Financial Assets & Liabilities:

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

(aa) Offsetting of Financial Instruments

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

Nath Industries Limited

Notes to financial statements for the year ended March 31, 2023

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

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

(Rs. in Lakhs)

Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Retained earning	Net Block as on 31.03.2023	Net Block as on 31.03.2022
		Opening Balance as on 01.04.2022	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2023	Balances as at April 1, 2022	Depreciated on charge for the year	Depreciated on asset sold/ disposed off	Total Accumulated Depreciated on upto 31.03.2023			
1	Freehold Land	5,136.64	-	-	5,136.64	-	-	-	-	-	5,136.64	5,136.64
2	Leasehold Land	7,023.20	-	-	7,023.20	611.09	114.67	-	725.76	-	6,297.44	6,412.12
3	Building	1,942.47	47.18	(19.50)	1,970.15	396.52	77.21	(2.39)	471.34	-	1,498.81	1,545.95
4	Plant and equipment	8,983.79	527.43	(35.45)	9,475.77	1,768.60	448.58	(7.28)	2,209.90	-	7,265.87	7,215.19
5	Office equipments	18.36	4.85	-	23.21	10.33	2.77	-	13.10	(0.09)	10.02	8.03
6	Electrical Installation	155.61	-	-	155.61	38.35	14.78	-	53.13	-	102.48	117.26
7	Furniture and Fixtures	117.49	39.91	-	157.40	25.01	12.19	-	37.20	(0.86)	119.34	92.48
8	Computers	23.01	0.89	-	23.90	14.94	3.22	-	18.16	(0.05)	5.69	8.07
9	Vehicles	279.66	21.97	-	301.63	166.54	39.76	-	206.30	-	95.33	113.11
	Total	23,680.23	642.23	(54.95)	24,267.51	3,031.38	713.18	(9.67)	3,734.89	(1.00)	20,531.62	20,648.85
	Capital Work in progress										5,946.06	

Property, Plant and Equipment, and Intangible Asset as on 31st March 2022:-

Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Retained earning	Net Block as on 31.03.2022	Net Block as on 31.03.2021
		Opening Balance as on 01.04.2021	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2022	Balances as at April 1, 2021	Depreciated on charge for the year	Depreciated on asset sold/ disposed off	Total Accumulated Depreciated on upto 31.03.2022			
1	Freehold Land	5,136.64	-	-	5,136.64	-	-	-	-	-	5,136.64	5,136.64
2	Leasehold Land	7,023.20	-	-	7,023.20	496.42	114.67	-	611.09	-	6,412.11	6,526.78
3	Building	1,851.07	91.40	-	1,942.47	321.82	74.70	-	396.52	-	1,545.95	1,529.25
4	Plant and equipment	8,122.74	861.05	-	8,983.79	1,344.99	423.61	-	1,768.60	-	7,215.19	6,777.75
5	Office equipments	13.42	4.94	-	18.36	7.43	2.90	-	10.33	-	8.03	5.98
6	Electrical Installation	129.64	25.97	-	155.61	25.24	13.11	-	38.35	-	117.26	104.40
7	Furniture and Fixtures	35.20	82.29	-	117.49	18.39	6.62	-	25.01	-	92.48	16.81
8	Computers	15.74	7.27	-	23.01	12.37	2.57	-	14.94	-	8.07	3.37
9	Vehicles	255.26	24.40	-	279.66	130.23	36.31	-	166.54	-	113.12	125.03
	Total	22,582.91	1,097.32	-	23,680.23	2,356.89	674.49	-	3,031.38	-	20,648.85	20,226.02
	Capital Work in progress										459.62	

Capital Work-in progress ageing as on 31st March 2023

(Rs. in Lakhs)

Particulars	Amount in capital work-in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Project in progress	676.10	5,269.96	-	-	5,946.06
Total	676.10	5,269.96	-	-	5,946.06

Capital Work-in progress ageing as on 31st March 2022

Particulars	Amount in capital work-in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Project in progress	459.62	-	-	-	459.62
Total	459.62	-	-	-	459.62

Note 3 : Non-current investments

(Rs. in Lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
<u>Investment at Fair Value Through Other Comprehensive Income</u>		
<u>Investment in Equity Instruments</u>		
Unquoted shares		
2,000 Eq Shares of M/s Saraswat Co-operative Bank Ltd	0.20	0.20
Total	0.20	0.20
Aggregate amount of unquoted investments	0.20	0.20
Aggregate amount of impairment in value of investments	-	-

Note 4 : Non-current Loans and advances

Particulars	As on 31.03.2023	As on 31.03.2022
Loans and Advances	46.89	38.19
Mat Credit Entitlement	318.37	329.42
Total	365.26	367.61

Note 5 : Non-current Other financial Assets

Particulars	As on 31.03.2023	As on 31.03.2022
Security Deposits	546.30	386.95
Earmarked Bank Deposits	108.66	28.90
Total	654.96	415.85

Note 6 : Other non-current assets

Particulars	As on 31.03.2023	As on 31.03.2022
Capital Advances	221.61	837.64
Advances for land development	690.89	690.89
Advances for purchase of land	1,205.53	1,250.16
Deferred Sales Tax Receivable	-	1,322.40
Total	2,118.03	4,101.09

Note 7 : Inventories

Particulars	As on 31.03.2023	As on 31.03.2022
Raw Materials	2,168.84	1,567.20
Raw Material in transit	-	-
Coal/Lignite Stock	69.00	57.68
Dyes and Chemicals	286.30	429.91
Stores, Spares & Tools	554.69	429.87
Finished Goods	1,413.64	1,538.85
Stock In Process	255.43	137.20
Total	4,747.90	4,160.71

Note 8 : Current Investments

Particulars	As on 31.03.2023	As on 31.03.2022
Investment at Fair Value Through Other Comprehensive Income		
Investment in Equity Instruments		
5,32,000 Eq Shares of M/s Nath Biogene (I) Ltd (Quoted , Face Value per share Rs. 10/-, Average cost per share is Rs. 213.35/- per share and market price as on 31.03.2023 is Rs. 141.25 (Previous year is Rs 247.10)	751.45	1,135.02
Total	751.45	1,135.02
Aggregate amount of quoted investments (Cost)	1,314.55	1,314.55
Aggregate amount of quoted investments (Market Value)	751.45	1,135.02

Note 9 : Trade receivables

Particulars	As on 31.03.2023	As on 31.03.2022
Due for a period of more than six months		
Secured, considered good	0.02	1.00
Unsecured, considered good	130.65	216.01
Total Debtors o/s for more than 6 months	130.67	217.01
Others		
Secured, considered good	46.55	115.00
Unsecured, considered good	5,340.90	6,016.91
Total Other o/s Debtors	5,387.45	6,131.91
Total	5,518.12	6,348.92

Trade Receivable ageing Schedule as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6months -1 year	1-2 Years	2-3 Years	More Than 3 years	
Un-disputed Trade Receivables -Considered Good	5,358.41	25.48	21.09	96.08	17.06	5,518.12
Undisputed Trade Receivable- Which have significant increase in credit risk		-				
Un-disputed Trade Receivables -Credit Impaired		-				
Un-disputed Trade Receivables -Considered Good		-				
Disputed Trade Receivable- Which have significant increase in credit risk		-	-			
Disputed Trade Receivables -Credit Impaired		-				
TOTAL	5,358.41	25.48	21.09	96.08	17.06	5,518.12

Trade Receivable ageing Schedule as on 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6months -1 year	1-2 Years	2-3 Years	More Than 3 years	
Un-disputed Trade Receivables -Considered Good	6,131.92	15.00	18.37	175.91	7.72	6,348.92
Undisputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Un-disputed Trade Receivables -Credit Impaired	-	-	-	-	-	-
Un-disputed Trade Receivables -Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables -Credit Impaired	-	-	-	-	-	-
TOTAL	6,131.92	15.00	18.37	175.91	7.72	6,348.92

Note 10 : Cash and Cash Equivalents

Particulars	As on 31.03.2023	As on 31.03.2022
Cash and cash equivalents		
Balances with Scheduled banks	5.25	57.95
Cash on hand	9.22	7.24
Total	14.47	65.19

Note 11 : Other current financial assets

Particulars	As on 31.03.2023	As on 31.03.2022
Interest accrued on deposits	19.68	13.37
Interest receivable	91.53	32.96
Advances to Employees	14.80	13.43
Export Incentive Receivable	94.38	78.91
Deferred Sales Tax Receivable	257.81	-
Other	-	1.67
Total	478.20	140.34

Note 12 : Other Current Assets

Particulars	As on 31.03.2023	As on 31.03.2022
Prepaid expenses	43.34	21.74
Advance for Expenses	10.87	11.29
Balances with government authorities	1,157.34	758.83
Advances to suppliers	911.06	607.11
Total	2,122.61	1,398.97

Note 13 : Equity Share Capital

(Rs. in Lakhs)

Particulars		As on 31.03.2023		As on 31.03.2022
Share capital				
Authorised :		5,350.00		5,350.00
5,35,00,000 Equity Shares of Rs. 10/- each (Previous Year 5,35,00,000 Equity Shares of Rs 10 each)				
Issued, Subscribed and Fully Paid up :				
1,90,00,000 Equity Shares of Rs. 10/- each (Previous Year 1,90,00,000 Equity Shares of Rs.10 each)		1,900.00		1,900.00
(a) Reconciliation of Number of Shares				
Issued, Subscribed and Fully Paid up :				
Equity Shares as on 01.04.2022		1,90,00,000		1,90,00,000
Add:- Issued During the year		-		-
Total Equity Share capital As on 31.03.2023		1,90,00,000		1,90,00,000
(b) List of Shareholders holding more than 5% of the total Number of Share issued by the Company				
	No of shares	Holding %	No of shares	Holding %
M/s. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%
M/s Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%
M/s. Tapovan Paper Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%

(c) Disclosure regarding Shareholding of promoters

Shareholding of Promoters as at 31st March 2023

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

Shareholding of Promoters as at 31st March 2022

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

Note 14 : Other equity

Particulars	As on 31.03.2023	As on 31.03.2022
Capital Subsidy	45.00	45.00
Capital Reserve	570.07	570.07
Forfieted Share App. Money	31.25	31.25
Share Premium	7,710.00	7,710.00
General Reserve	300.00	300.00
Retained Earnings		
Opening Balance	14,094.35	12,429.76
Add:- Net profit after Tax for the year	266.43	1,664.59
Total Retained earning	14,360.78	14,094.35
Other Comprhensive Income		
Opening Balance	(214.29)	(34.76)
Less: Other Comprehensive Profit / (Loss) for the year	(383.57)	(179.53)
Total Other Comprehensive Loss	(597.86)	(214.29)
Total	22,419.24	22,536.38

Note 15 : Non-current Borrowings

Particulars	As on 31.03.2023	As on 31.03.2022
Term Loans from Financial Institutions	3,269.81	1,874.79
Vehicle Loan	14.51	23.01
Total	3,284.32	1,897.80

Note 16: Deferred Sales Tax Liabilities

Particulars	As on 31.03.2023	As on 31.03.2022
Deferred Sales Tax Liabilities - VAT	2,171.50	1,656.79
Deferred Sales Tax Liabilities - SGST	839.32	1,322.41
Total	3,010.82	2,979.20

Note 17: Provisions (Non-current)

Particulars	As on 31.03.2023	As on 31.03.2022
Provision for gratuity	453.96	450.10
Provision for leave encashment	103.99	105.43
Total	557.95	555.53

Note No 18:- Deferred Tax Liabilities / (Asset)

Particulars	As on 31.03.2023	As on 31.03.2022
<u>Deferred Tax Liability</u>		
Fixed Assets	2,496.31	2,784.54
<u>Deferred Tax Asset</u>		
Employee Benefit	183.85	205.57
Long Term Capital Loss	2.64	2.96
Total	2,309.82	2,576.01

Note 19: Current Borrowings

Particulars	As on 31.03.2023	As on 31.03.2022
Short Term Bank Borrowing	4,582.03	1,715.71
Inter-corporate Deposits	-	-
Current maturity of long term loans	1,169.80	462.12
Current maturity of Deferred Sales Tax Loan	-	514.71
Total	5,751.83	2,692.54

Note 20 : Trade payables

Particulars	As on 31.03.2023	As on 31.03.2022
Outstanding dues of micro and small enterprises	-	-
Others	2,781.10	2,608.74
Total	2,781.10	2,608.74

Trade Payables ageing Schedule as on 31st March 2023

Particulars	Outstanding for following periods from the due date of payment				Total
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	2,544.24	110.77	43.96	27.74	2,726.71
(iii) Disputed dues- MSME					-
(iv) Disputed dues-Others	-	-	-	54.39	54.39
TOTAL	2,544.24	110.77	43.96	82.13	2,781.10

Trade Payables ageing Schedule as on 31st March 2022

Particulars	Outstanding for following periods from the due date of payment				Total
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	2,546.62	5.06	0.92	1.75	2,554.35
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	54.39	54.39
TOTAL	2,546.62	5.06	0.92	56.14	2,608.74

Note 21 : Other current liabilities

Particulars	As on 31.03.2023	As on 31.03.2022
Advance from customers	308.26	238.11
Trade deposits	232.60	297.41
Other advance	82.53	-
Statutory Liabilities	51.06	223.66
Other Liabilities	166.46	143.68
Total	840.91	902.86

Note 22 : Provisions (Current)

Particulars	As on 31.03.2023	As on 31.03.2022
Provision for expenses	243.71	177.15
Provision for gratuity	78.78	84.77
Provision for leave encashment	12.42	5.92
Provision for bonus	57.98	59.71
Total	392.89	327.55

Note No 23-Current Tax Liabilities (Net)

Particulars	As on 31.03.2023	As on 31.03.2022
Current Tax Liabilities	-	265.76
	-	265.76

Nath Industries Limited
Notes to financial statements for the year ended March 31, 2023

Note 24 : Revenue from operations

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Manufacturing		
Papers	29,608.46	30,727.00
Chemicals	9,975.97	10,246.64
Other revenues	725.51	689.53
Trading		
Waste papers	60.57	88.58
Chemicals	450.19	324.88
Total	40,820.70	42,076.63

Note 25 : Other income

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Interest income		
- from banks	9.73	4.20
- from others	75.97	42.00
- from Income Tax Refund	-	46.72
Profit on Sale of Investment	-	10.68
Dividend income	10.68	0.04
Insurance claim	1.36	7.64
Other miscellaneous income	454.44	55.65
Exchange Rate Gain/(Loss)	39.57	56.58
Refund of Rates and Taxes(Notified)	-	17.59
Bad Debt Written back	-	
Total	591.75	241.10

Note 26 : Cost of material consumed

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Raw materials		
Opening stock	1,997.11	2,035.28
Add : Purchases	27,902.05	28,020.86
Less : Closing stock	(2,455.15)	(1,997.11)
Total	27,444.01	28,059.03

Note 27 : Purchase (Trading)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Waste paper	59.25	88.92
Chemicals	434.60	320.29
Total	493.85	409.21

Note 28 : Changes in inventories:-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening stock of finished goods & work-in progress	1,676.05	970.16
Closing stock of finished goods & work-in progress	(1,669.07)	(1,676.06)
Total	6.98	(705.90)

Note 29 : Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries & wages	1,800.74	1,678.64
Contribution to provident fund and other funds	104.22	104.16
Staff welfare expenses	151.31	125.72
Total	2,056.27	1,908.52

Note 30 : Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Working Capital	459.45	380.20
Interest on term loans	24.91	41.43
Interest on trade deposits	11.69	10.80
Interest on others	5.01	10.18
Total	501.06	442.61

Note 31 : Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Stores ,Spares & Packing Material Consumption	1,397.12	1,517.26
Power & fuel	5,483.19	4,896.99
Water charges	219.12	180.72
Repair to others	-	10.64
Repairs to building	4.51	5.73
Repairs to plant & machinery	251.24	270.70
Other Manufacturing Expenses	245.96	278.61
Hire charges - fork lift	17.38	20.30
Insurance charges	32.62	40.65
Transportation & materials handling	179.37	143.24
Technical consultation charges	-	38.10
Discount on sales	889.56	911.80
Freight outward charges	737.94	869.78
Bank charges	33.79	39.24
Auditor's fees	5.50	3.50
Auditor's Reimbursement	0.23	-
Cost Audit fees	3.30	-
GST Audit fees	0.50	0.50
Tax audit fees	3.00	3.00
Internal audit fees	3.00	3.00
Corporate social responsibility expenses	38.00	30.00
Donation	0.61	2.76
Director's sitting fees	-	-
Legal & professional fees	242.19	285.19
License, inspection and testing charges	4.07	11.50
Listing fees	3.00	3.00
Membership fees & subscription	3.82	4.53
Depository service charges	3.56	3.02
Business Development / Business promotion expenses	24.00	5.41
Bad-debt Written off	-	-
Computer expenses	12.30	8.14
Conveyance	19.03	17.60
Corporate office expenses	12.06	14.10
Garden expenses	8.40	7.46
Loss on sale of Assets	20.14	-
Motor car expenses	33.84	27.68
Stamp Duty Expense	6.77	29.22
Other expenses	78.39	59.58
Postage & telegram	4.32	2.89
Printing & stationery	9.73	9.28
Prior Year Expenses	0.40	0.39
Rent, rates & taxes	27.98	39.63
Security services	30.65	33.85
Sundry balances written off	34.10	46.64
Telephone Expenses	5.66	6.37
Traveling expenses	44.36	19.04
Total	10,174.71	9,901.04

Note 32 : Current Tax

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Tax	25.23	449.97
Income Tax Adjustment of Earlier years	(4.07)	(554.93)
	21.16	(104.96)

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

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

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

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

Debt-to-equity ratio is as follows

Particulars	(Rs. In Lakhs)	
	As on 31.03.2023	As on 31.03.2022
Net Debts* (A)	12,046.97	7,569.54
Equity ** (B)	24,319.24	24,436.38
Debt Equity Ratio (A/B)	0.50	0.31

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

** Equity Includes share capital and other equity.

ii) Credit Risk:-

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

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

Exposure to credit risk:-

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

(Rs. In Lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
Trade Receivables	5,518.12	6,348.92
Loans and Advances	46.89	38.19
TOTAL	5,565.01	6,387.11

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

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

iii) Liquidity Risk

a. Liquidity Risk Management:-

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

b. Maturities of financial liabilities

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

(Rs. In Lakhs)

Particulars	F.Y. 2022-23		F.Y. 2021-22	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
Term Loan	1,169.80	3,284.32	462.12	1,897.80
Deferred Sales Tax Liabilities	-	3,010.82	514.71	2,979.20

c. Maturities of financial assets:-

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

(Rs. in Lakhs)

Particulars	F.Y. 2022-23		F.Y. 2021-22	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
Non-current Financial Assets:-				
Security Deposits	-	546.31	-	386.95
Fixed Deposit with Bank	-	108.66	-	28.90
Loans and Advances	1.99	363.27	-	367.61

d. Market Risk:-

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

Note No.: 34

Employee Benefits:

Provident Fund:

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

(Rs. in Lakhs)

Particulars	FY 2022-23	FY 2021-22
Employers Contribution to Provident Fund	87.98	85.16
Employers Contribution to ESIC	16.10	18.83
Employers Contribution to Labour Welfare Fund	0.14	0.17

Gratuity :

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

Actuarial Assumptions	31.03.2023			31.03.2022		
	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper
Discount Rate	7.35%	7.41%	7.39%	7.11%	7.11%	6.82%
Salary Escalation Rate	5.00%	5.00%	7.00%	5.00%	5.00%	7.00%

Expected rate of return Plans assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected average remaining service of employee in the number of years	16	14	7	15	13	8

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2023

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

(Rs. in Lakhs)

Change in present value of Obligation	As on 31.03.2023	As on 31.03.2022
Present Value of Obligation as at the beginning of the year	534.88	519.66
Interest Cost	36.92	34.75
Current Service Cost	25.58	26.81
Benefit Paid	-48.15	-39.88
Actuarial (gain) /loss on obligation	-16.48	-6.46
Present value of Obligation as at the end of the year	532.75	534.88

c. Change in Fair value of plan assets

Change in Fair value of Plans Assets	31.03.2023	31.03.2022
Fair Value of plan Assets as at the beginning of the year	NIL	NIL
Actual Return on plan Assets	NA	NA
Contributions	NA	NA
Benefit Paid	NA	NA
Actuarial gain/(loss) on plan Assets	NA	NA
Fair Value of Plan Assets as at the end of the year	NIL	NIL

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

(Rs. in Lakhs)

Reconciliation of present value of defined benefit obligation and the fair value of assets	31.03.2023	31.03.2022
Present value of funded obligations as at the end of the year	-	-
Fair value of plan assets as at the end of the year	-	-

Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	532.75	534.88
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year	532.75	534.88

e. Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2023:-

(Rs. in Lakhs)

Particulars	31.03.2023	31.03.2022
Current Service Cost	36.92	34.75
Interest Cost	25.58	26.81
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-16.48	-6.46
Past Service cost	-	-
Net Gratuity (income) / expense	46.02	55.10

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

(Rs. in Lakhs)

Particulars	31.03.2023	31.03.2022
Present value of obligation	532.75	534.88
Fair value of plan assets	-	-
(Surplus) / Deficit	532.75	534.88
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

Leave Encashment :

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

(Rs.in Lakhs)

Particulars	31.03.2023	31.03.2022
Liability for leave encashment and compensated absence	116.40	111.35

Note No.: 35
Secured Loans

a. Working Capital and Term Loan:-

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

Term loans availed from the State Bank of India for Thionyl Chloride (TC) plant, Co-generation power plant and Sulphuric Expansion projects are primarily secured by the respective plants. During the year, State Bank of India has sanctioned Rs. 5.50 Cr for installation of Online Coating Machine Plant. This term loan is primarily secured by the present and future assets of Online Coating Machine Plant.

All the above facilities are additionally secured by the registered mortgage on existing leasehold land admeasuring 23,490 sq mtr with building and structure thereon, including all machineries at industrial Plot No 293, 296 in industrial area bearing survey no. 55/P, 57/P, 67P, 68P and 139P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad – 396195 and existing leasehold land and building bearing Survey No 621/P, 58/P, 56/P, 136/P, 137/P situated at Industrial Plot No 294, 295 and 296/P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad – 396195 admeasuring 39,020 sq mtrs,

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

d. Maturity profile of term loans is as under:-

(Rs.in Lakhs)

F.Y.2022-23		F.Y. 2021-22	
Upto 1 Year	1 to 3 years	Upto 1 Year	1 to 3 years
1,169.80	3,284.32	462.12	1,897.80

Note No.:36

CIF Value of Imported & Indigenous Material and Components

Value of Imported and Indigenous Material and Components consumed as on 31st March 2023 is as under: (on CIF Basis)

(Rs. In Lakhs)

Account Head	F.Y. 2022-23		F.Y. 2021-22	
	Rs. in Lakhs	%	Rs. in Lakhs	%
(a) Raw Material				
Imported	11,493.10	41.88	14,392.50	51.29
Indigenous	15,950.91	58.12	13,666.53	48.71
Total	27,444.01	100.00	28,059.03	100.00
(b) Stores and Spare Part				
Imported	17.23	1.23	24.50	1.61
Indigenous	1,379.89	98.77	1,492.76	98.39
Total	1,397.12	100.00	1,517.26	100.00

Note No.: 37

Deferred Tax Asset/(Liability):

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

(Rs. in Lakhs)

	As on 31.03.2023	As on 31.03.2022
Assets		
(a) Deferred tax assets arising on account of timing differences:-	2.64	2.96
(i) Unabsorbed capital loss	183.85	205.57
(ii) Employee Benefits		
Liability		
(b) Deferred Tax Liabilities arising on account of timing differences in WDV	2,496.31	2,784.54
Net Deferred Tax Asset	-	-
Net Deferred Tax Liability	(2,309.82)	(2,576.01)

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

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

ii. Non-Executive/Independent Directors on the Board

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

iii. Relatives of Key Management Personnel

Mrs. Pratima Sharma, Manager
Mrs. Rajni Jain, Manager
Mrs. Sweta Kagliwal

b. Transaction during the Year

(Rs. in Lakhs)

Sr. No.	Particulars	Year Ended 31 st March 2023	Year ended 31 st march 2022
1)	Remuneration paid to Key Managerial Personnel and Relatives	136.36	119.01

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

c. Other Related Parties:-

- i. M/s Akash Farms LLP
- ii. M/s Tapovan International Trading Private Limited
- iii. N Kagliwal Education & Research Foundation.

d. Transactions carried out with related parties are in the ordinary course of business and the transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. Transaction details are as under:

(Rs. in Lakhs)

Sr No	Name	Nature of Transaction	F.Y. 2022-23	F.Y. 2021-22
i.	Tapovan International Trading Pvt Ltd	Purchase of waste paper	-	3,378.91
ii.	Akash Farms LLP	Advance Returned (Advance received)	0.23	(0.23)
iii.	Mrs. Sweta Kagliwal	Consultancy Fees paid in her professional capacity	15.00	15.00
iv	N Kagliwal Education & Research Foundation.	CSR Contribution given Advance Given / (Return of Advance given for CSR Expense)	38.00 7.70	30.00 (39.00)

e. Outstanding Balances at the year end:-

(Rs. in Lakhs)

Sr No	Name	As on 31.03.2023	As on 31.03.2022
i.	Tapovan International Trading Pvt Ltd	8.08 (Cr)	424.51(cr)
ii	Akash Farms LLP	-	0.23 (cr)
iii.	Mrs. Sweta Kagliwal	-	13.50 (cr)
iv	N Kagliwal Education & Research Foundation.	44.90 (Dr)	37.20(Dr)

Note No.:39**Contingent Liabilities not provided for :**

(Rs. in Lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
i) Bank Guarantee given to the DGVCL	150.00	169.00
ii) Bank Guarantee given to the GPCB	5.00	7.50
iii) Compensation awarded by the court not claimed / Suits filed	1.25	1.25
iv) a. Service tax demand for the period 16.5.2008 to 31.03.2010 of Rs. 259.56 lakhs. Appeal by the company is pending before Customs excise & Service Tax Appellate Tribunal, Ahmadabad. b. Disputed Demand of Central Excise & Service Tax of Rs. 90.91. Commissioner (Appeals) has remanded back the case to Adjudicating officer.	359.31	333.92
v) Appeal pending with Tribunal against Excise Demand of Rs. 9.92 lakhs for reversal of Modvat which is not provided in books, Company has paid Rs. 1.08 lakhs.	8.84	8.84

vi)	Corporate Guarantee and collateral security of land admeasuring to 4.47 acres given to Malkapur Urban Co- Op Bank Limited for working capital limit availed by Tapovan International Trading Pvt Ltd.	600.00	600.00
vii)	One of the vendors has made a claim against the Company for Rs. 90.39 lakhs against the Company's counter claim on the vendor of Rs. 281.17 lakhs. The Company is in arbitration with the said the vendors. The management is of the opinion that no additional liability would arise.	-	-
viii)	Disputed demands of Water Cess (MPCB)	15.98	15.98
ix)	Disputed demand of Property Tax from Wahegaon Gram Panchayat	27.13	27.13
x)	Deferred sales tax Liability transferred to another Company (with recourse) in earlier year	1,586.36	1,586.36
xi)	Capital Commitments :- Estimated amount of contracts remaining to be executed and not provided for tangible assets	1,500.31	1,706.35
xii)	Income Tax Liability:- Department has preferred appeal before Bombay High Court against the order of ITAT which are in favour of the company for A.Y. 2007-08 and A.Y. 2009-10. No provision is made for Rs. 58.61 Lakhs and Rs. 47.33 lakhs for the A.Y. 2007-07 and A.Y. 2009-10 respectively in case the Bombay High Court decides the matter against the Company.	105.94	105.94

Note No.:40

Foreign Exchange Difference

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

(Rs. in Lakhs)

Particulars	F.Y. 2022-23	F.Y. 2021-22
Earnings in Foreign Exchange:-	6,261.06	6,962.25
Receipt against Export of Goods	5,680.47	7,455.24
<u>Expenditure in Foreign Currency:-</u>		
Purchase of Imported Raw Materials	11,758.37	12,265.94
Purchase of Imported Stores	43.45	24.50
Purchase of fixed asset	-	59.28
<u>Foreign Exchange Gain / (Loss)</u>	39.57	56.58

Note No.:41**Segment Reporting :****i) Primary Segment:-**

The company is engaged in manufacturing of Paper & chemicals. Management has identified reportable primary Segment & Geographic secondary Segment in accordance with Accounting Standard 108 issued by the Institute of Chartered Accountants of India. Revenue & Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to a specific segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segment have been disclosed as un allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un allocable.

(Rs. in Lakhs)

Particulars	Paper	Chemical	Total
Revenue (Net)	30,322.84	10,497.86	40,820.70
Other Income	139.88	451.87	591.75
Total Revenue	30,462.72	10,949.73	41,412.45
Expenses	29,677.62	10,498.21	40,175.83
Depreciation	435.65	277.53	713.18
Operating Income	349.45	173.99	523.44
Un-allocable Expenses/(Income)			
Finance Cost			501.06
Un-allocable Tax			
Income Tax incl earlier year adjustments			21.15
Deferred Tax Expenses/(Income)			(266.19)
Total Un-allocable Expenses			256.02
Profit after tax			267.42
Other Information			
Assets			
Non Current Assets	17,169.40	11,958.65	29,128.05
Current Assets	12,628.84	1,491.99	14,120.83
TOTAL ASSETS	29,798.24	13,450.64	43,248.88

Equity and Liabilities			24,319.24
Non Current Liability	5,987.97	3,174.93	9,162.90
Current Liability	8,907.67	859.07	9,766.74
TOTAL LIABILITIES	14,895.64	4,034.00	18,929.64

ii) Secondary Segment:-

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

The company produces and sales, its products in India & also Export the same directly or indirectly to overseas countries. The overseas sales operations are managed by its office located in India. For the purpose of AS 108 regarding segment reporting secondary segment information on geographical segment is considered on the basis of revenue generated from Domestic & Export market.

(Rs. in Lakhs)

Particulars	F.Y. 2022-2023			F.Y. 2021-2022		
	Domestic	Export	Total	Domestic	Export	Total
Revenue	34,559.64	6,261.06	40,820.70	35,170.96	6,962.25	42,133.21
Carrying Amount of Trade Receivable	4,804.10	714.02	5,518.12	6,215.49	133.43	6,348.92
Carrying amount of Current Assets other than Trade Receivable	8,114.63	-	8,114.63	6,900.23	-	6,900.23

NOTE No.:42

Deferred Sales Tax Liability

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

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

Deferred Sales tax Liability of MVAT/ SGST has been valued at Book value, which would have been Rs 1,838.48 lakhs if valued at Fair Value as required under the IND AS -113 Fair Value Measurement. Company has recognized the same at its Book value considering

the fact that the company is liable to pay the entire dues to the Government of Maharashtra as per the schedule of repayment.

Note No.:43

Earning Per Share:

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

Particulars	Current Year	Previous Year
Profit Before tax (Rs.in Lacs)	22.38	1,628.73
Tax Provision (Net of MAT Credit, including deferred tax and earlier year tax adjustment) (Rs. in Lacs)	245.04	35.86
Profit after tax	267.42	1,664.59
Weighted Average Number of Equity Shares	1,90,00,000	1,90,00,000
Basic & Diluted Earning per Share (EPS)	1.41	8.76
Face Value per share Rs.	10	10

Note No.:44

Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Act, 2006:

The Company has asked for confirmations from suppliers and service providers who have registered themselves under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) However no confirmations or information was received or available with the Company as on date of signing of final accounts, Hence information about the balance of Principal amount and the Interest due thereon remaining unpaid to supplier registered under Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006 is not available.

Note No.:45

Corporate Social Responsibility (CSR) in terms of section 135 of Companies Act:

(Rs.in Lakhs)

Corporate Social Responsibility Expenditure	F.Y.2022-23	F.Y.2021-22
(a) Gross amount required to be spent by the Company for the year @ 2% of average profit of last 3 years	38.00	30.00
(b) Expenditure towards Corporate Social Responsibility Activities incurred	38.00	30.00
(c) Shortfall at the end of the year	-	-
(d) Total of Previous years shortfall	-	-
(e) Reasons for shortfall	N.A.	N.A.
(f) Nature of CSR Activity	Education	Education

(g) Details of Related Party Transactions (Advance for CSR)	7.70	(39.00)
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Note No: 46

Additional Regulatory Information: -

a. Title Deeds of Immovable Properties not held in the name of the Company:-

Particulars	Description of Property	Gross Carrying Value (Rs in lakhs)	Title Deeds held in the name of	Whether Title Deed holder is a promoter, director or relative of promoter/Director or employee of promoter/director	Property Held Since date	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold Land at Gut no 319 to 324, 50/2 to 50/6, 37/3 at Wahegaon, Gut no 54/1 to 54/5 at Issarwadi, Gut no 26/1 at Pimpalwadi, Gut no 124 at Muddalwadi. All land parcels situated at Tal Paithan, Dist Aurangabad	5136.64	Nath Pulp and Paper Mills Limited	No	Merger order dated 22.08.19	Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited were amalgamated with Nath Industries Limited vide NCLT order dated 22.08.2019. Process for transfer of
	Leasehold land at Plot No 294,295 and 296, IInd Phase, GIDC, Vapi, Gujarat – 396 195	4298.60	Nath Industrial Chemicals Limited	No	Merger order dated 22.08.19	title of Freehold Land and Lease hold Land in the name of Transferee Company from the transferor

						Companies is under process.
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b. Particulars of Loans and advance in the nature of Loans:-

(Rs.in Lakhs)

Relation	Name of the Party	Amount of Loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of Loans
Related Party	N Kagliwal Education and Research Foundation	44.90	95.76%

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

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

(Rs. in lakhs)

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

	India				
12	Industrial Finance Corporation of India	08/11/1989	80046544	175.00	
13	IFCI	11/02/1981	90216734	16.00	
14	IFCI	14/04/1980	90216696	12.00	
15	Oman International Bank	02/06/1992	90217584	100.00	Satisfied on 09.05.2023.
16	Oman International Bank	10/01/1991	90217468	100.00	
17	Oman International Bank	07/09/1990	90217434	100.00	

e. Ratios:-

Sr No	Ratio	Numerator	Denominator	Current Year	Previous Year	Change	Reason
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.40	1.95	-28.39%	a. Higher utilization of working capital limits b. inclusion of repayment of term loan and GECL loan installments under Current liabilities and c. reduction in amount current investment due to valuation at the market price as on the year end

2	Debt-Equity Ratio	Debt Consist of Borrowing from Financial Institutions, Deferred Sales Tax Liability and Unsecured Loans	Total Equity	0.50	0.31	59.92	Increase in ratio because of higher utilization of working capital limits and increase in term loan for execution of installation of co-generation power plant and sulphuric acid manufacturing capacity expansion
3	Debt Service Coverage Ratio	Net Profit After Tax +Non Cash Operating Expense +Finance Cost+ Other Non-cash adjustment	Finance Cost + Principal Payment	1.65	2.64	-37.64%	*Refer note below.
4	Return on Equity	Net Profit after Tax	Average Total Equity	14.07%	87.61%	-83.93 %	*Refer note below
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	9.16	11.03	-16.95%	
6	Trade Receivable Ratio	Revenue from Operations	Average Trade Receivable	6.88	7.15	-3.82%	
7	Trade Payable Turnover Ratio	Purchases + Trading Purchases + Other Expense	Average Trade Payable	14.31	14.75	-2.94%	
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital Ratio	7.91	7.34	7.74%	
9	Net Profit Ratio	Net Profit for the year	Revenue from Operations	0.66%	3.96%	-83.44%	*Refer note below

10	Return on Capital Employed	Profit before Tax and Interest	Net worth + Total Debts	1.44%	6.47%	-77.76%	*Refer note below
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*Net profit was low because of under utilization of capacities due to shutting down of plants for expansion.

Note No.:47

Previous year Figures

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

In term of our report attached

**For Vidya & Co,
Chartered Accountants**

Firm Reg. No. 308022E

For and on behalf of the Board

Amit Nagar

Partner

M.No.: 056156

UDIN:- 23056156BGVRYJ2004

Place : Mumbai

Date: 30th May 2023

Akash Kagliwal

Managing Director

Abhaykumar Jain

Director