

36<sup>th</sup>  
Annual  
Report  
2023-2024

**bagla**  
GROUP

**HINDUSTAN ADHESIVES LIMITED**

# 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

**BOARD OF DIRECTORS:**

Mr. M. S. Bagla  
Mr. Suresh Sridhar Ajila  
Mrs. Urmila Goenka  
Mr. Amit Kumar  
Mr. Sudeep Pande  
Mr. Pawan Kumar Gupta  
Mr. Ashok Kumar Pathak  
Mr. Ravi Kumar Aggarwal  
Mr. Nakul Bagla (CFO)

**COMPANY SECRETARY:**

Mr. Amit Kumar Jha

**AUDITORS:**

M/s. Salarpuria & Partners  
Chartered Accountants,  
1008, Chiranjiv Tower 43,  
Nehru Place, New Delhi-110019

**BANKERS:**

State Bank of India  
3,4 & 5, D.D.A. Building  
Nehru Place, New Delhi - 110019

IDBI Bank, 8<sup>th</sup> Floor, Plate B, Block -II,  
NBCC Office Complex, East Kidwai Nagar,  
New Delhi - 110029

Indian Bank  
2<sup>nd</sup> Floor, Mid Cap Branch  
17 Parliament Street, New Delhi - 110001

HDFC Limited  
B-7/3, Asaf Ali Road,  
New Delhi-110002

**SHARE TRANSFER & DEMAT AGENT:**

Link Intime India Pvt. Ltd.  
Noble Height, 1<sup>st</sup> Floor,  
NH-2, C-1 Block, LSC, Near Savitri Market  
Janakpuri, New Delhi-110058

**REGISTERED OFFICE:**

B-2/8, Safdarjung Enclave,  
New Delhi-110029  
CIN: L74899DL1988PLC031191

**FACTORY:**

**Unit - I** : 29th Mile Stone, G.T. Road  
Village Achheja, Tehsil-Dadri  
Distt. -Gautam Budh Nagar (U.P.) 203207.

**Unit -II** : Plot No. 15, K.I.E Industrial Estate,  
Village - Mundiyaiki, Pargana- Manglour,  
Tehsil Roorkee, Dist. Haridwar- 247 667 (Uttarakhand)

**Unit-III** : Survey No. 380/1, Village Bharadeshwar  
Mundra Dist , Gujarat - 370410

**SHARES LISTED AT:**

BSE

<i>Contents</i>	<i>Page No.</i>
Notice .....	03
Board's Report .....	21
Report on Corporate Governance .....	38
Management Discussion and Analysis .....	51
Standalone Auditors' Report .....	54
Standalone Balance Sheet .....	65
Standalone Profit & Loss Account .....	67
Standalone Cash Flow Statement .....	68
Standalone Financial Statements & Notes .....	70
Consolidated Financial Statements & Notes .....	112



**HINDUSTAN ADHESIVES LIMITED**

CIN: L74899DL1988PLC031191

Regd Office: B-2/8, Safdarjung Enclave, New Delhi-110029

**NOTICE**

Notice is hereby given that the Thirty-Sixth Annual General Meeting of the Members of Hindustan Adhesives Limited will be held on Monday, 30th September, 2024 at 2.00 P.M. Indian Standard Time ("IST"), through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility to transact following business:

**ORDINARY BUSINESS:****1. To receive, consider and adopt:**

- (a) The standalone financial statements of the Company which includes the Audited Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the financial year ended as on that date and the Cash Flow Statement together with reports of the Board of Directors and the Statutory Auditors thereon.
  - (b) The consolidated financial statements of the Company which includes the Audited Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the financial year ended as on that date and the Cash Flow Statement together with reports of the Statutory Auditors thereon.
2. To appoint a Director in place of Mrs. Urmila Goenka (DIN 01165727), who retire by rotation and being eligible offers herself for re- appointment.

**SPECIAL BUSINESS.****3. Re-appointment of Mr. Ashok Kumar Pathak as Whole-Time Director:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and relevant clause(s) of the Articles of Association of the Company, approval of the members of the Company, be and is hereby accorded to the re-appointment of Mr. Ashok Kumar Pathak, as the whole Time Director of the Company for 5 years with effect from August 25, 2024 to August 24, 2029, as well as the payment of salary and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Ashok Kumar Pathak.

**RESOLVED FURTHER THAT** the remuneration including benefits, amenities and perquisites shall nevertheless be paid and allowed to Mr. Ashok Kumar Pathak as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) to give effect to the aforesaid resolutions herein conferred to any Director(s) to give effect to the aforesaid resolutions.

**4. Re-appointment of Mr. Pawan Kumar Gupta as a Non-Executive Independent director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. **Pawan Kumar Gupta** (DIN 08506390), who was appointed as an Independent Director at the Thirty First Annual General Meeting of the Company and who holds office up to July 11, 2024 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from July 11, 2024 upto July 10, 2029.”

**5. To ratify and confirm the remuneration payable to the Cost Auditors of the Company for the financial year ending March 31, 2025**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, & the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendments(s) thereto or re-enactment(s) thereof for the time being in force), the remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only)(plus out of pocket expenses and applicable taxes, if any), payable to M/s JSN & CO., Cost Accountants (Registration No. 000455), appointed by the Board as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31,2025, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

**New Delhi, 14<sup>th</sup> August, 2024**  
**CIN: L74899DL1988PLC031191**

**By Order of the Board**  
**HINDUSTAN ADHESIVES LIMITED**

**Registered Office:**  
B-2/8, Safdarjung Enclave, New Delhi- 110029  
**Email:** [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com)

**(Madhusudan Bagla)**  
Managing Director  
**DIN:01425646**

**IMPORTANT NOTES:**

1. The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020, No. 20/2020, No. 02/2021, No. 2/2022, No. 10/2022 and No. 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 respectively (hereinafter, collectively referred as the "MCA Circulars") read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11, No. SEBI/HO/CFD/CMD2/CIR/P/2022/62, No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 and No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2023/167 dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 respectively (hereinafter, collectively referred as the "SEBI Circulars" and together with the MCA Circulars referred as the "Circulars") has allowed companies to conduct their annual general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at their AGMs and accordingly, the 36th Annual General Meeting (the "AGM" or the "36th AGM" or the "Meeting") of Hindustan Adhesives Limited (the "Company") will be held through VC or OAVM in compliance with the Circulars, the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") for the matter included in the notice, which is unavoidable and therefore proposed for seeking approval at AGM, is enclosed herewith.
2. In accordance with the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in view of the aforesaid MCA and SEBI Circulars, the Company has engaged the services of Link Intime (India) Private Limited (LI IPL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically during the AGM in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is also provided by LI IPL.
3. VC/OAVM facility provided by the Company, is having a capacity to allow 1000 members to participate at the Meeting on a first come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, KMPs, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. may be allowed to attend the Meeting without restriction on account of first-come-first-served principle.
4. Company is providing two-way teleconferencing facility for the ease of participation of the members. The instructions for members attending/ participating in the AGM through VC/ OAVM are provided at point no. 25A.
5. The facility for joining the AGM through VC/OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2023-24 and Notice of the 36th AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose e-mail IDs are registered with the Company's Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of annual report and notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company's website [www.bagla-group.com](http://www.bagla-group.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
7. In terms of the MCA / SEBI Circulars since the requirement of physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies.

Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 36th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in 36th AGM through VC/OAVM Facility and e-Voting during 36th AGM.

8. Institutional/Corporate Members intending to attend the Meeting are required to send a scan of certified copy of the Board Resolution (JPG/PDF format), pursuant to Section 113 of the Act, 2013, authorizing their representative to attend the Meeting through VC/OAVM on its behalf and vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address [magarwalandco@gmail.com](mailto:magarwalandco@gmail.com).
9. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of Meeting for the purpose of recording of the minutes of the proceedings of this AGM.
10. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank). Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with their Depository Participants (DPs) in case shares are held in electronic form or with the Registrar & Share Transfer Agent of the Company in case of the shares are held in physical form.
11. Members having any queries related to accounts and operations or any other matter to be placed at the AGM of the Company may write to the Company through an email on [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com), at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.
12. Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), Link Intime India Private Limited (LIPL) Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 (Phone No.: +91-11- 41410592; Fax No.: +91-11-41410591; Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) ) for reply to their queries/redressal of complaints, if any, or contact Company through an email on [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com).
13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz., issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/ 65 dated 18th May, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 and ISR-5, as the case may be. The said forms can be downloaded from the website of the Company at <https://www.bagla-group.com/investor-relations/>. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form since transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.
14. The Members who have not registered their email addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. LIPL in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
15. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that with effect from April 01, 2024 dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC complaint i.e. the details of PAN, contact details, mobile no. complete bank details and specimen signatures are registered.

In case of non-updation of PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid upon furnishing all the aforesaid details in entirety. Further, in terms of SEBI Circular dated June 10, 2024, Non submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios. Security holders holding securities in physical form shall be eligible for receipt of any payment including dividend as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders. However, existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them.

16. Please also note that SEBI, vide circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023 read with circular no. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/135 dated August 4, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Please note, post exhausting the option to resolve their grievance with the Company/ its Registrar and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR portal (<https://smartodr.in/login>).
17. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.
18. Since the AGM will be conducted through VC / OAVM, the Route Map is not annexed to this Notice.
19. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this 36<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2023-24 shall also be available on the Company's website [www.bagla-group.com](http://www.bagla-group.com). Further, the notice received, if any, under Section 160 of the Companies Act, 2013 will be put up on the website of the Company up to the date of the Meeting. Members seeking to inspect such documents can send an email to [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com).
20. The remote e-voting facility will be available during the following voting period:
  - i. Commencement of remote e-voting: From 9.00 a.m. IST of Friday, September 27, 2024.
  - ii. End of remote e-voting: Up to 5.00 p.m. IST of Sunday, September 29, 2024.
21. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, September 23, 2024 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter and the facility will be blocked forthwith. The Register of Members and Share Transfer will remain closed from Tuesday, 24<sup>th</sup> September, 2024 to Monday, 30<sup>th</sup> September, 2024 for the purpose of AGM.
22. In pursuant to SEBI circular no. SEBI/ HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
23. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p><b>METHOD 1 – If registered with CDSL Easi/Easiest facility</b>  <b>Users who have registered or CDSL Easi/Easiest facility.</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://web.cdslindia.com/myeasitoken/home/loginor">https://web.cdslindia.com/myeasitoken/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>Click on New System Myeasi</li> <li>Login with user id and password</li> <li>After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.</li> <li>Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR</b></p> <p><b>Users who have not registered for CDSL Easi/Easiest facility.</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided Login ID and password.</li> <li>After successful login, user able to see e-voting menu.</li> <li>Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2 - By directly visiting the e-voting website of CDSL.</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a></li> <li>Go to e-voting tab.</li> <li>Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.</li> <li>System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account</li> </ol> <p>After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</p> <p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p><b>METHOD 1 - If registered with NSDL IDeAS facility</b>  <b>Users who have registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and click on “Beneficial Owner” icon under “Login”.</li> <li>Enter user id and password. Post successful authentication, click on “Access to e-voting”.</li> <li>Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR</b></p>

Type of shareholders	Login Method
	<p><b>User who havenot registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>To register, visit URL:<a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and select “Register Online for IDeAS Portal” or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>”</li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided with Login ID and password.</li> <li>After successful login, click on “Access to e-voting”.</li> <li>Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2 - By directly visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>Click on the “Login” tab available under ‘Shareholder/Member’ section.</li> <li>Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.</li> <li>Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.</p> <ol style="list-style-type: none"> <li>Login to DP website</li> <li>After Successful login, members shall navigate through “e-voting” tab under Stocks option.</li> <li>Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.</li> <li>After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>

**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**24. Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

*\*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above*

%Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

%Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

### Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):

#### STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person’s email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

#### STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
  - a. ‘Investor ID’-
    - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
    - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
  - b. ‘Investor’s Name - Enter full name of the entity.
  - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
  - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

#### STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

##### METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on ‘Votes Entry’ tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter ‘16-digit Demat Account No.’ for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
- f) After selecting the desired option i.e., Favour / Against, click on ‘Submit’.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

**VOTES UPLOAD:**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Forgot Password:**

**Individual shareholders holding securities in physical form has forgotten the password:**

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

**Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**Corporate Body/ Custodian/Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

## 25. Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting Cast your vote.
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see Resolution Description and against the same the option Favour/ Against for voting.
4. Cast your vote by selecting appropriate option i.e. Favour/Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on Save. A confirmation box will be displayed. If you wish to confirm your vote, click on Confirm, else to change your vote, click on Back and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
7. Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
8. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
9. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
10. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
11. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

### 25A. Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
  - Select the “Company” and ‘Event Date’ and register with your following details:
    - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio Number
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
      - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
      - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
  - Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

**25B. Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the [complianceofficer.hal@bagla-group.com](mailto:complianceofficer.hal@bagla-group.com).
  2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
  3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
  4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
  5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.  
Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
- 26.** The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date.
- 27.** Any person, who acquires shares of the Company and becomes Member of the Company after sending the Notice of the Meeting and holding shares as of the cut-off date i.e .September 23, 2024, needs to refer the instruction above regarding login ID and password and may contact the Company or RTA for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- 28.** The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again or change it subsequently.
- 29.** Only those Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
- 30.** The Board of Directors of the Company has appointed Mr. Mukesh Kumar Agarwal, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
- 31.** The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by using e-voting facility for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
- 32.** The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 48 hours of conclusion of the AGM.

33. The Notice of the AGM shall be placed on the website of the Company and LIPL till the date of AGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.bagla-group.com](http://www.bagla-group.com) and on the website of LIPL i.e. [www.linkintime.co.in](http://www.linkintime.co.in) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office.

**New Delhi, 14<sup>th</sup> August, 2024**

**CIN:** L74899DL1988PLC031191

**Registered Office:**

B-2/8, Safdarjung Enclave, New Delhi- 110029

**Email:** [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com)

**By Order of the Board**  
**HINDUSTAN ADHESIVES LIMITED**

**(Madhusudan Bagla)**

Managing Director

**DIN:**01425646



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

Pursuant to section 102 of the Companies Act, 2013 as required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the businesses mentioned under Item No. 4 to 6 of the accompanying Notice.

**ITEM No- 4**

Mr. Ashok Kumar Pathak has wide experience and expertise in the Sales business. His dedicated effort and leadership have helped to restructure the Company. Taking into consideration his commendable work and involvement in the day to day activities of the Company, the Board of Directors had in their meeting held on August 14, 2024 re-appointed Mr. Ashok Kumar Pathak as a Whole-time Director for a further period of Five years from the date of expiry of his earlier term, i.e., w.e.f. August 25, 2024, as approved by the Remuneration Committee at remuneration and upon such terms and conditions as set out below.

**Terms & Conditions of Appointment:****a) Basic Salary-** 35000/- per month

He will be entitled to following Perquisite:

**HRA** - Rs. 17,000/- per month.

**Medical Allowance** - Rs. 1250/- per month.

**Special Allowance** - Rs.13744/-per month.

**b) Perquisites and Amenities:**

i. **Medical Reimbursement:** Expenses incurred for the appointee and his family subject to a ceiling of one month salary in one year.

**c) Following perquisites shall not be included in the salary:**

i. Contribution to Provident Fund: As per Company rules.

ii. Gratuity: As per Company rules subject to maximum of half months' salary for each completed year of service.

iii. Encashment of leaves: As per rules of the Company at the end of tenure

**c) Other term and Conditions**

The remuneration of Mr. Ashok Kumar Pathak as Whole time Director of the Company as provided in clause (a to c) above shall be payable by way of minimum compensation even if there be loss or inadequacy of profits of the Company in any financial year and also be subject to review by the Board if and when considered necessary in order to bring the same in conformity with the provisions in Schedule V of the Companies Act, 2013.

Notwithstanding anything to the contrary contained in the Company's Articles of Association, Mr. Ashok Kumar Pathak shall not so long as he acts as the Whole time Director of the Company receive any fee for attending of the Board or a Committee thereof.

The remuneration proposed is in accordance with Section 196, Section 197 and Section 203 of the Companies Act, 2013 read with its relevant rules made thereunder and Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and as approved by Board of Directors and subject to the approval of Shareholders of the Company by way of the Special Resolution in the AGM.

**The following additional information as required by Schedule V to the Companies Act, 2013 is given below:**

**I. General Information:**

(i) **Nature of Industry:** Sale of Carton Sealing Tapes and a quality supplier of Adhesive Coated Products in India. The goodwill that the company commands because of superior quality products makes it a preferred choice supplier to a many new and existing multinational company setting up facilities in India.

(ii) **Date of Commencement of Activity:** 08th June 1988 (iii) Financial Performance based on given indicators:

(iii) **Financial Performance based on given indicators:**

(In Lakhs)

	2021-22	2022-23	2023-24
Revenue from operations	44,907	32,153	30,416
Profit Before Tax	1812	582	2185
Profit After Tax	1251	486	1641

(iv) **Foreign Investments or collaborations:** NIL

## II. Information about the appointee:

(i) **Background details:** He has been working with the Company for almost 25 years and has been elevated as the General manager, with the responsibility of promoting the sales of the Company and exploring new markets and products. He has vast experience in sales and the management thinks that with this additional responsibility he would be contributing further to enhance the performance of the Company.

(ii) **Recognition and Awards/Achievements:** NIL

(iii) **Job profile and suitability:** Sales and Marketing

(iv) **Remuneration proposed:** Rs.35,000/ p.m

(v) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

The proposed Remuneration of Mr. Ashok Kumar Pathak, who is a thorough Professional, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.

**Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: N.A.**

## III. Other Information

(i) **Reason of Inadequate Profit:** Lower capacity utilization and unfavorable market conditions.

(ii) **Step taken or proposed to be taken:** Marketing efforts have been increased as post elections demand has started increasing.

(iii) **Expected increase in the productivity and profit in measurable term:** 10% - 15%

None of the Directors other than Mr. Ashok Kumar Pathak is concerned or interested in this resolution. The Board of Directors recommends the resolution set at Item No. 4 of this Notice for your approval.

## ITEM No-5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Pawan Kumar Gupta (DIN 08506390) as Independent Director, for a second term of five years from July 11, 2024 to July 10, 2029, not liable to retire by rotation. Mr. Pawan Kumar Gupta was appointed as Independent Director at the Thirty First Annual General Meeting ("AGM") of the Company and holds office up to July 11, 2024. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director. The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Mr. Pawan Kumar Gupta would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed

that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company on all working day (except Saturdays, Sundays and Public Holidays) between (10:00 a.m. to 1:00 p.m. upto the date of AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Pawan Kumar Gupta as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 5 of this Notice for approval of the Members.

Except Mr. Pawan Kumar Gupta and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice.

#### **ITEM No-6**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s JSN & CO., Cost Accountants (Registration No. 000455) as Cost Auditors of the Company at a remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousand only) (plus out of pocket expenses and applicable taxes, if any) to conduct the audit of cost records of the Company for the financial year ending March 31, 2025. In terms of 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 as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution(s) set out at Item No. 6 of the Notice, for approval by the Members.

### Annexure-A

Details of Directors seeking appointment/re-appointment at the 36th Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

PARTICULARS	Mr. Ashok Kumar Pathak	Mr. Pawan Kumar Gupta	Mrs. Urmila Goenka
Brief Profile/ Resume of the Director	Mr. Ashok Kumar Pathak is the Whole Time Director of the Company since 2021. However, he has been working with the Company for almost 25 years and has been elevated as the General manager, with the responsibility of promoting the sales of the Company and exploring new markets and products. He has vast experience in sales.	He is a Non-Executive Director of the Company and has wide experience and expertise in Finance.	She is an Executive Director of the Company and brings with her good management expertise with responsibility to overlook the Corporate Governance and enhance human relations within the organization.
Date of first Appointment	26.08.2021	12.07.2019	30.04.2010
Age	50 Years	52 Years	76 Years
Qualifications	BSC Hons	CA	B.A.
Experience	26 years	25 Years	39 years
Directorships held in other Companies(excluding foreign Companies)	1	Nil	Nil
Memberships/Chairmanships of Committees of other Companies	Nil	Nil	Nil
Names of the listed entities from which Director has resigned in the past 3 (Three) years	Nil	Nil	Nil
Nature of Expertise in Specific functional Areas	Wide Experience in Sales	Wide experience in Finance	Wide Expertise in Human Resources Management
Number of shares held in the Company	Nil	Nil	Nil
Relationship with other Directors/ KMP's	No relationship with other Directors	No relationship with other Directors	No relationship with other Directors
Remuneration			
Terms of appointment	Liable to retire by rotation	Not liable to retire by rotation	Liable to retire by rotation

PARTICULARS	Mr. Ashok Kumar Pathak	Mr. Pawan Kumar Gupta	Mrs. Urmila Goenka
Number of meetings of the Board attended during the year	9	4	1
Skills and abilities required for the Role as an Independent Director	NA	Strategy & Business expertise, Industry Expertise, Market Expertise, People & Talent Understanding, Governance, Finance & Risk.	NA
Justification for the Manner in which proposed appointee meets requirement (only in case of re-appointment of Independent Directors)	NA	Given the vast experience and expertise possessed by Mr. Pawan Kumar Gupta, the Nomination and Remuneration Committee and the Board of Directors have recommended his re-appointment for the second term.	NA

New Delhi, 14<sup>th</sup> August, 2024  
CIN: L74899DL1988PLC031191

By Order of the Board  
HINDUSTAN ADHESIVES LIMITED

**Registered Office:**  
B-2/8, Safdarjung Enclave, New Delhi- 110029  
**Email:** [accounts@hindustanadhesives.com](mailto:accounts@hindustanadhesives.com)

**(Madhusudan Bagla)**  
Managing Director  
DIN:01425646

## BOARD'S REPORT

To

The Members,

The Directors have pleasure in presenting the 36<sup>th</sup> Annual Report of the company together with the financial statements, for the year ended on 31<sup>st</sup> March 2024.

### **FINANCIAL PERFORMANCE OF THE COMPANY:**

During the Financial Year 2023-2024, The Financial position of the Company is as under:

**(Amount in Lakhs)**

	Standalone		Consolidated	
	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
<b>Gross Sales and Other Income</b>	30717	32503	30717	32503
<b>Less: Total Expenses</b>	28532	31921	28532	31921
<b>Profit / (Loss) before tax</b>	2185	582	2185	582
<b>Provision for tax</b>	544	96	544	96
<b>Net Profit/(Loss)</b>	1641	486	1641	486

### **Results of Operations and the state of Company's affairs**

#### **Key Highlights of Financial performance**

During the period under review, the turnover of the Company has decreased slightly to Rs 304.16 Crores as against Rs 321.38 Crores in the financial year 2022-23 and earned profit of Rs 16.41 Crores in the year 2023-24 as compared to profit of Rs 4.86 Crores in the previous year 2022-23.

#### **DIVIDEND:**

To conserve the funds for the business of the Company including the funding for the expansion plans, your directors regret their inability to recommend any dividend for the financial period 2023-24.

#### **RESERVES:**

Taking into account overall financial performances of the Company, your Directors have not transferred any amount to General Reserve Account.

#### **STATE OF COMPANY'S AFFAIR:**

The Company is pleased to present the results for the financial year 2023-24, albeit with a small decrease in sales and however a substantial increase in profits. The company focused on high value products, which gave substantially high margins to the company and hence increased its profits, as also reduced sales of low value added products resulting in much lower sales.

The Company had completed all its planned expansions to increase the capacities of its manufacturing unit in the Kutch region of the state of Gujarat for manufacturing BOPP Packaging Tapes for the international markets. The company is now investing in finishing equipment for making high value added products and is confident of a substantial increase in sales and profits in the current financial year. The Company will also be participating in a number of overseas exhibitions this financial year to increase its overseas sales and has also appointed many sales representatives and distributors around the globe to sell its products.

The Company also continues to make efforts to increase the sales of Carton Sealing Tapes in the domestic markets and other Specialty Adhesive Coated products by providing the customers an excellent quality product backed by dedicated customer services from its unit located in north India.

The company is looking for adding new products in its existing product range and during the current year it has invested to set up new manufacturing facilities by way of a 100% subsidiary company namely Bagla Technopack Private Limited, which will start production in the current financial year for manufacturing highly innovative and sustainable packaging for the food industry.

**CHANGE IN THE NATURE OF BUSINESS:**

During the financial year under review, no changes have occurred in the nature of the Company's business.

**MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE DIRECTOR REPORT:**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and date of the director report of the Company to which the financial statements relates.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

**STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-24.

**COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and also available on the Company website <https://www.bagla-group.com/investor-relations/>.

**SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

During the year under review, the company has one wholly owned subsidiary company named Bagla Technopack Private Limited. The Company does not have any associate or Joint Venture Company.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's wholly owned subsidiary in Form AOC-1 is attached as "Annexure A".

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Pursuant to provisions of Section 186 of the Act, read with Companies (Meetings of Board and its Powers) Rules, 2014, the particulars of loans given, guarantees provided and investments made by the Company during the Financial year 2023-24 are disclosed in the notes to Financial Statements which forms part of this report.

**DEPOSITS:**

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V-Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. The Company had taken unsecured loan from managing director as per note no. 46(B) of Notes to accounts. The said

Director had submitted a declaration that said unsecured loan were provided to the Company out of his own fund.

### **AUDITORS AND AUDITORS' REPORT:**

#### **(1) STATUTORY AUDITORS:**

The Report given by M/s. Salarpuria & Partners, Chartered Accountants (Firm Registration No: 302113E)), Statutory Auditors on the financial statements of the Company for the Financial year 2023-24 is part of Annual Report. The Notes on financial statements referred to in Auditor's Report are self-explanatory and do not call for any further comments. There has been no qualification, reservation or adverse remark or disclaimer in their Report on Financial Statement for F.Y. 2023-24.

#### **(2) SECRETARIAL AUDITORS:**

a) Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed **Mr. Puneet Kumar Pandey**, a Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2024. The Secretarial Audit Report is annexed as "**Annexure B**".

#### **b) CERTIFICATE BY PRACTICING COMPANY SECRETARY**

The secretarial Auditor of the company M/s Puneet Pandey & Associates has issued a certificate that none of Director on the Board of the Company have been Debarred or disqualified from being appointed or continuing as a directors of the Companies by the board/Ministry of Corporate Affairs or any such statutory authority. The certificate is attached as "**ANNEXURE C**".

#### **(3) INTERNAL AUDITOR**

As per section 138 of the Companies Act, 2013, the Company is required to have Internal Auditor. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of **M/s SJC & Co., Chartered Accountants (Firm Registration No. 031696N)** as the Internal Auditor of the Company.

#### **(4) COST AUDITOR**

Pursuant to Section 148 of the Companies Act, 2013 read with the relevant rules made thereunder or any amendments thereof, the Company is required to maintain cost records and accordingly such accounts and records are made and maintained by the Company in respect of its business activity and the same is required to be audited. Your Board had, upon the recommendation of the Audit Committee, appointed M/s JSN & CO., Cost Accountant to audit the cost accounts of the Company for the Financial Year 2024-25 at a remuneration of upto 75,000(Rupees Seventy Five Thousand) plus taxes and out-of-pocket expenses. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for ratification.

Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s JSN & CO., Cost Auditors is included in Notice convening the Annual General Meeting. The Notes referred to in the Cost Auditors' Report are self-explanatory and do not call for any further comments.

The Cost Auditors' Report does not contain any qualification, reservation or adverse remark.

### **REPORTING OF FRAUD BY AUDITORS**

During the year under review, neither the statutory auditors nor the Secretarial Auditors has reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officer or employees, the details of which would need to be mentioned in the Board's Report.

### **SHARE CAPITAL:**

The paid-up Equity Share Capital as on 31st March, 2024 was Rs. 5,11,63,000. During the year under review, the Company has not issued any shares.

The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.



**ANNUAL RETURN:**

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company as at March 31, 2024 can be accessed through the web link [www.bagla-group.com](http://www.bagla-group.com).

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **“ANNEXURE D”**.

**CORPORATE SOCIAL RESPONSIBILITY:**

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental and social objectives with the Company’s operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.

In accordance with the provisions of section 135 of the Act read with the Companies (Corporate Social Responsibility policy) Rules, 2014, the annual report on Corporate Social Responsibility activities is given at **“Annexure- E”** to this Report.

The CSR committee comprises two Non-executive Independent Directors namely Shri. Amit Kumar and Shri. Pawan Kumar Gupta and One Executive Director namely, Shri Madhusudan Bagla.

The details of CSR Committee meetings and attendance of the members there at are provided in the Corporate Governance Report and forms part of this Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The composition of Board of Directors as on March 31, 2024 are as under:

S.No.	Name of the Director	DIN No.	Designation
1	Mr. Madhusudan Bagla	01425646	Managing Director
2	Mrs. Urmila Goenka	01165727	Whole-time director
3	Mr. Ashok Kumar Pathak	09283908	Whole-time director
4	Mr. Suresh Ajila*	03203748	Whole-time director
5.	Mr. Sudeep Pande	08212946	Independent Director
6.	Mr. Pawan Kumar Gupta	08506390	Independent Director
7.	Mr. Ravi Kumar Aggarwal	00114359	Independent Director
8.	Mr. Amit Kumar*	06902856	Independent Director

\*Mr. Suresh Ajila resigned from the position of Whole Time Director and Mr. Amit Kumar resigned from the position of Independent Director w.e.f August 14, 2024.

**I. Retirement by rotation and subsequent re-appointment:**

Pursuant to provisions of Section 152 of Companies Act, 2013 and the Articles of Association of the Company Mrs. Urmila Goenka (DIN: 01165727) Whole-Time Director of the Company is liable to retire by rotation and being eligible, offer herself for re-appointment.

**II. Appointments/Resignation**

During the year under review, no appointment or resignation has been made.

### III. Declaration of Independence from Independent Director

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

#### Key Managerial Personnel (KMPs)

In accordance with the provisions of Sections 2(51) and 203 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as on March 31, 2024 the following were the Key Managerial Personnel of the Company:

S.No.	Name of the KMP	Designation
1	Mr. Madhusudan Bagla	Managing Director
2	Mr. Suresh Ajila*	Whole Time Director
3	Mrs. Urmila Goenka	Whole Time Director
4	Mr. Ashok Kumar Pathak	Whole Time Director
5	Mr. Nakul Bagla	Chief Financial Officer
6	Mr. Amit Kumar Jha	Company Secretary

\*Mr. Suresh Ajila resigned from the position of Whole Time Director w.e.f August 14, 2024.

#### NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

Ten meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

#### BOARD EVALUATION:

In line with the requirement of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on 31st March, 2024, wherein the performance of the non-independent directors including Chairman was evaluated.

The Board, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and fulfillment of Director's obligations and fiduciary responsibilities, including but not limited to active participation at the Board and Committee meetings.

#### AUDIT COMMITTEE:

The Company being a Listed Company was required to constitute an Audit Committee under Section 177(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company was required to constitute a Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013. The Composition of the Stakeholders Relationship Committee is provided in the Corporate Governance Report forming part of this report.

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of

Board and its Powers) Rules, 2014 and as per the listing regulations, the Company has adopted a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of persons who use this mechanism. The policy adopted by the company is also posted on the website of the company [www.bagla-group.com](http://www.bagla-group.com).

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Company being a Listed Company was required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Composition of the Nomination and Remuneration Committee is provided in the Corporate Governance Report forming part of this report.

Remuneration of the Key Managerial Personnel and Employees of the Company is based on the performance of the company. Remuneration of the employees are revised on timely basis and based on their performances. The company generally sees the ability and review the performance of the candidate before the appointment of the Director.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

With reference to Section 134(3)(h) of the Act, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were approved by the Audit Committee and wherever required, also by the Board of Directors. No contract or arrangement required approval of shareholders by a resolution.

Further, during the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' (i.e. transactions exceeds rupees one thousand crore or ten percent of the annual consolidated turnover, whichever is lower as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions.

Further, there were no transactions undertaken during the year which were not at an arms' length basis, hence the disclosure under Form AOC-2 is not applicable to the Company.

During the year under review, the policy on Materiality of the Related Party Transactions and on dealing with the Related Party Transactions was amended to align it with the amendments in the listing Regulations.

Members may refer to Note No. 46 of the Standalone Financial Statements which sets out related party disclosures pursuant to Ind AS.

#### **RISK MANAGEMENT POLICY:**

The Board reviews the risks faced by the Company and formulates risk management and mitigation procedures from time to time, which are also reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, customer service, market, litigation, logistics, project execution, financial, human resources, environment and statutory compliance.

#### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company did not receive any complaint.

#### **SECRETARIAL STANDARD**

The Company complies with all applicable mandatory secretarial standards issued by the institute of Company Secretary of India.

#### **DECLARATION OF INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their disclosures to the Board that they fulfill the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves for their continuance as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

During the year under review no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been enclosed with the report as "**ANNEXURE F**".

**INSOLVENCY AND BANKRUPTCY CODE**

- a) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- b) There was no instance of onetime settlement with any Bank or Financial Institution.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual financial statements for the year ended March 31, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b) for the financial year ended March 31, 2024, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit of the Company for the year ended March 31, 2024.
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The annual financial statements have been prepared on a going concern basis.
- e) That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT:**

The Board appreciates and places on record the contribution made by the employees during the year under review. The Board also places on record their appreciation of the support and co-operation of all stakeholders particularly shareholders, bankers, financial institutions, customers, suppliers and business partners.

By order of the Board of Directors of  
**HINDUSTAN ADHESIVES LIMITED**

**ASHOK KUMAR PATHAK**  
**(WHOLE-TIME DIRECTOR)**  
DIN: 09283908

**MADHUSUDAN BAGLA**  
**(MANAGING DIRECTOR)**  
DIN:01425646

Date: 14.08.2024  
Place: New Delhi

## FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES**

**PART 'A': SUBSIDIARIES**

Sr. No.	1 (One)
Name of the subsidiary	Bagla Technopack Private Limited
1. Latest Audited Balance Sheet Date	31/03/2024
2. The date since when subsidiary was acquired	14/11/2023
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
5. Share capital	Rs. 1,276 Lakhs
6. Reserve & Surplus	Rs. (19.29) Lakhs
7. Total assets (including investments)	Rs. 2,135.15 Lakhs
8. Total Liabilities (other than equity)	Rs. 878.44 Lakhs
9. Investments	Nil
10. Turnover (excluding other income)	Nil
11. Profit/(loss) before taxation	Nil
12. Provision for taxation	Nil
13. Profit/(loss) after taxation	Nil
14. Proposed Dividend	Nil
15. % of shareholding	100%

1. Names of subsidiaries which are yet to commence operations: Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

**PART "B": ASSOCIATES AND JOINT VENTURES**

Not applicable

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**HINDUSTAN ADHESIVES LIMITED**  
B-2/8, SAFDARJUNG ENCLAVE,  
NEW DELHI- 110029

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HINDUSTAN ADHESIVES LIMITED** (hereinafter called 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (ECB);

**Not Applicable**

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

**Not Applicable**

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

**Not Applicable**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

**Not Applicable**

- 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. **Not Applicable**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **Not Applicable**
- (vi) RBI Act, 1934 **Not Applicable**
- (vii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. **Not Applicable**
- (viii) Industrial and Labour Laws which inter-alia includes **(based on the confirmation received from the Management)**:
- The Minimum Wages Act, 1948
  - The Payment of Bonus Act, 1965
  - The Payment of Gratuity Act, 1972
  - The Employee's Provident Fund & Miscellaneous Provisions Act, 1952
  - The Employee's State Insurance Act, 1948
  - Factory Act, 1948
  - Payment of Wages Act, 1936
  - The Workmen's Compensation Act, 1923
  - Contact Labour (Regulation and Abolition) Act, 1970

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

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

**I further report that:**

The Board of Director 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 to the Directors 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

I further report that based on the information received and records maintained by the Company, 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:** Delhi  
**Date:** 13.08.2024

**Puneet Kumar Pandey**  
**M No-** A29848  
**C P No-** .10913  
**UDIN:** A029848F000962032

To,  
The Members,  
**HINDUSTAN ADHESIVES LIMITED**  
B-2/8, SAFDARJUNG ENCLAVE,  
NEW DELHI- 110029

The Secretarial Audit Report of even date is to be read along with this letter.

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

**Place:** Delhi  
**Date:** 13.08.2024

**Puneet Kumar Pandey**  
**M No-** A29848  
**C P No-**.10913  
**UDIN:** A029848F000962032



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members  
**Hindustan Adhesives Limited (“the Company”)**  
B-2/8, Safdarjung Enclave, New Delhi-110029

I, Mr. Puneet Kumar Pandey., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hindustan Adhesives Limited** having CIN L74899DL1988PLC031191 and having registered office at **B-2/8, Safdarjung Enclave, New Delhi-110029** (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (**including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)**) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mrs. URMILA GOENKA	01165727	30/04/2010
2.	Mr. MADHUSUDAN BAGLA	01425646	05/04/1988
3.	Mr. SURESH SHRIDHAR AJILA	03203748	30/04/2010
4.	Mr. AMIT KUMAR	06902856	12/07/2014
5.	Mr. SUDEEP PANDE	08212946	01/09/2018
6.	Mr. PAWAN KUMAR GUPTA	08506390	12/07/2019
7.	Mr. RAVI KUMAR AGGARWAL	00114359	26/08/2021
8.	Mr. ASHOK KUMAR PATHAK	09283908	26/08/2021

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

**Place:** Delhi  
**Date:** 13.08.2024

**Puneet Kumar Pandey**  
**M No-** A29848  
**C P No-** .10913  
**UDIN:** A029848F000963154

## ANNEXURE-D

**Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors**

**(A) Conservation of energy-**

- (i) **The steps taken or impact on conservation of energy:** The manufacturing plant has continued its efforts in conserving energy in various forms like energy conservation projects, as also exploration of the costs for installation of LED lamps for lighting purposes in replacement to the conventional lighting.
- (ii) **The steps taken by the company for utilizing alternate sources of energy:** The Company is exploring the possibilities of getting wind energy for its new plant at Gujarat.
- (iii) **The capital investment on energy conservation equipments:** NIL

**(B) Technology absorption-**

- (i) **The efforts made towards technology absorption:** The Company had invested in latest high speed machines for producing product using the lowest energy units per kg of production. The company has also installed latest communication facilities for the imported plant and machinery to be on-line available for any repairs and improvements with the help of the foreign machine suppliers from his country, which has become very necessary in view of travel restrictions due to the pandemic.
- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:** The benefits accrued have been lower cost of modernization and subsequently lower maintenance costs in the future.
- (iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Imported technology has helped the company to make world class products and build a wider export market.
- (iv) **The expenditure incurred on Research and Development:** The Company has incurred expenditure Rs.12.57 Lakhs to develop sustainable tapes for the local markets.

**(C) Foreign exchange earnings and Outgo-**

The Company's main line of Business is manufacturing Adhesives Tape and POF Film (Polyolefin Shrink Film). The Company has achieved Export Turnover of **Rs 19,985.46 Lakhs during the year under report 2023-24, as compared to Rs 21,921.72 Lakhs in the previous year 2022-2023.**

(Rs. in Lakhs)

Particulars	2023-24	2022-23
Total Foreign Exchange Received (F.O.B. Value of Export)	19,847.90	20,855.79
i) Raw Materials	12,817.12	17,044.94
ii) Consumable Stores	58.43	45.89
iii) Capital Goods	129.40	388.90
iv) Foreign Travels	71.75	32.20
v) Bank Charges	11.86	14.86
vi) Commission Paid	215.03	264.00
vii) Clearing & Forwarding Export	-	867.19
viii) Repayment of loan (unsecured)	-	293.05
ix) Advance for Capital Goods	129.83	-

By order of the Board of Directors of  
**HINDUSTAN ADHESIVES LIMITED**

**ASHOK KUMAR PATHAK**  
**(WHOLE-TIME DIRECTOR)**  
DIN: 09283908

**MADHUSUDAN BAGLA**  
**(MANAGING DIRECTOR)**  
DIN:01425646

Date: 14.08.2024  
Place: New Delhi

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024****1. A brief outline of the company's CSR Policy, including overview of projects or programs undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental and social objectives with the company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. The CSR Policy of the Company is posted on the website of the Company ([www.bagla-group.com](http://www.bagla-group.com)).

**2. The composition of the CSR committee:**

The CSR Committee of the Company comprises the following members:

a) Shri. Madhusudan Bagla, Chairperson, Managing Director b) Shri.Pawan Kumar Gupta, Member, Independent Director c) Shri. Amit Kumar, Member, Independent Director.

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

The current composition and Policy of the committee are available and updated on the Company's website at <https://www.bagla-group.com/investor-relations/>.

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**

Requirement of undertaking an impact assessment study as per the provisions of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable, as the average CSR Obligation for the three immediately preceding financial years was less than 10 crs.

5. (a) Average net profit of the company as per section 135(5) :1250.93 Lakhs  
(b) Two percent of average net profit of the company as per section 135(5) :25.02 Lakhs  
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil  
(d) Amount required to be set-off for the financial year, if any. : - Nil  
(e) Total CSR obligation for the financial year [(b)+ (c) - (d)] : 25.02 Lakhs
6. (a) Amount spent on CSR Projects :31.83 Lakhs  
(both Ongoing Project and other than Ongoing Project)  
(b) Amount spent in Administrative Overheads :Nil  
(c) Amount spent on Impact Assessment, if applicable : - NA  
(d) Total amount spent for the Financial Year [(a)+ (b) + (c)] : 31.83 Lakhs

## (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Lakhs)	Amount Unspent (in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
31.83 Lakhs	-	-	-	-	-

## (f) Excess amount for set-off, if any:

Sl No	Particulars	Amount (Rs. In Lakhs)
(i)	Two percentage of average net profit of the company as per section 135(5)	25.02
(ii)	Total amount spent for the Financial Year	31.83
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	6.81
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in the succeeding Financial Years [(iii)-(iv)]	6.81

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135 (6) (in Rs)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1.	FY-1	Not Applicable						
2.	FY-2							
3.	FY-3							

## 8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

 Yes

 No

If yes, enter the number of capital assets created/ acquired:

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

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

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

By order of the Board of Directors of  
HINDUSTAN ADHESIVES LIMITED

**ASHOK KUMAR PATHAK**  
(WHOLE-TIME DIRECTOR)  
DIN: 09283908

**MADHUSUDAN BAGLA**  
(MANAGING DIRECTOR)  
DIN:01425646

Date: 14.08.2024

Place: New Delhi

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided hereunder:

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Director	Ratio to median remuneration
Madhusudan Bagla	35.83
Urmila Goenka	2.39
Suresh Ajila	2.79
Ashok Kumar Pathak	2.54

2. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year.**

Particular	% increase in remuneration in the financial year
M.S. Bagla( MD )	0
Urmila Goenka (WTD)	0
Suresh Ajila(WTD)	0
Ashok Kumar Pathak	0
Nakul Bagla (CFO)	0
Amit Kumar Jha (CS)	0

3. **The percentage increase in the median remuneration of employees in the financial year: 27**
4. **The number of permanent employees on the rolls of Company: 322.**
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There was an increase of around 11.68% in the salaries of the employees in comparison to the last financial year. Percentile increase in the managerial remuneration is 0.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms remuneration is as per the remuneration policy of the Company.

By order of the Board of Directors of  
HINDUSTAN ADHESIVES LIMITED

ASHOK KUMAR PATHAK  
(WHOLE-TIME DIRECTOR)  
DIN: 09283908

MADHUSUDAN BAGLA  
(MANAGING DIRECTOR)  
DIN:01425646

Date: 14.08.2024  
Place: New Delhi

## Report on Corporate Governance

### 1. Philosophy on code of Corporate Governance:

The Fundamental object of Corporate Governance is the enhancement of Shareholder value, keeping in view the interest of other stakeholders. It refers to a blend of law, regulations and voluntary practices, which enable the company to harness financial and human capital, perform efficiently and expediently, and thereby perpetuate it into generating long term association and economic value for its Shareholders, while respecting interests of other stakeholders and the society at large.

It aims to align interests of the company with its Shareholders and other key stakeholders. The principal Characteristics of Corporate Governance are Transparency, Independence, Accountability, Responsibility, Social Responsibility.

To sum, Corporate Governance focuses on equitable treatment of all shareholders and reinforces that it is "Your Company" as it belongs to you, the Shareholders.

The Chairman and Board of Directors are your fiduciaries and trustees pushing the business towards maximizing value for its shareholders.

### 2. Board of Directors

i. The Board of Directors comprises of Eight Directors. The Composition of Board of Directors is as under:-

Category	No. of Directors
Executive Director(including a women director)	4
Non-executive independent Director	4
Total	8

ii. None of the directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2024 have been made by the directors.

iii. All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act").

iv. There is no inter-se relationship between the Board Members.

v. During the year 2023-24, the board met 10(Ten) (as against the minimum requirement of four meetings) on the following dates, namely:-

**04<sup>th</sup> April, 2023, 29<sup>th</sup> May, 2023, 02<sup>nd</sup> June, 2023, 25<sup>th</sup> July, 2023, 11<sup>th</sup> August, 2023, 24<sup>th</sup> August, 2023, 11<sup>th</sup> November, 2023, 26<sup>th</sup> December, 2023, 28<sup>th</sup> December, 2023 and 14<sup>th</sup> February, 2024.**

The names and categories of the directors on the board, their attendance at board meetings held during the year and the last Annual General Meeting are given below:

Sl. No.	Name	Category Membership	Attendance Particulars		Number of directorships		Number of committee positions held in other public companies	
			Board Meeting	Last AGM	in all other Companies	Excl. pvt. Ltd., *foreign & Sec. 8 Companies	Chairman	Member
01.	Mr. Madhusudan Bagla DIN: 01425646	Executive Director, MD	10	YES	8	2	NIL	NIL
02.	Mrs. Urmila Goenka DIN: 01165727	Executive Director, WTD	1	YES	NIL	NIL	NIL	NIL
03.	Mr. Suresh Shridhar Ajila DIN: 03203748	Executive Director, WTD	4	YES	NIL	NIL	NIL	NIL
04.	Mr. Amit Kumar DIN: 06902856	Non-Executive - Independent Director	10	YES	1	NIL	NIL	NIL
05.	Mr. Pawan Kumar Gupta DIN: 08506390	Non-Executive - Independent Director	4	YES	NIL	NIL	NIL	NIL
06.	Mr. Sudeep Pande DIN: 08212946	Non-Executive - Independent Director	7	NO	1	NIL	NIL	NIL
07.	Mr. Ravi Kumar Aggarwal DIN: 00114359	Non-Executive - Independent Director	2	YES	3	1	NIL	NIL
08.	Mr. Ashok Kumar Pathak DIN: 09283908	Executive Director, WTD	9	YES	1	NIL	NIL	NIL

**CHART/MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS (as per Schedule V(C) (2) (h) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

The Board of Directors of the Company is composed of a wide range of Dignitaries, Technical experts, and Individuals with proven experience in Industry and /or various fields such as Corporate Law, Human resources, Chartered Accountancy, Company Secretary and Information Technology. The Board constantly endeavors to achieve the highest standards of Corporate Governance.

The Nomination and Remuneration Committee of the Company normally consider the following key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board of the Company for its effective functioning.

Key Board Qualification & experience

Name of Director	Leadership	Industry Global Business	Industry Sales and marketing	Financial
Mr. Madhusudan Bagla Executive Director, MD	✓	✓	✓	✓
Mrs. Urmila Goenka Executive Director, WTD	✓		✓	
Mr. Suresh Shridhar Ajila Executive Director, WTD		✓	✓	✓
Mr. Ashok Pathak Executive Director, WTD		✓	✓	



Name of Director	Leadership	Industry Global Business	Industry Sales and marketing	Financial
Mr. Amit Kumar Non-Executive-Independent Director		✓	✓	✓
Mr. Pawan Kumar Gupta Non-Executive Independent Director			✓	✓
Mr. Sudeep Pande Non-Executive-Independent Director		✓	✓	✓
Mr. Ravi Kumar Aggarwal Non-Executive-Independent Director		✓	✓	✓

#### Independent Director:

Independent Directors fulfill all the conditions for being Independent to the Company, as stipulated under Regulation 16(1)(b) of SEBI LODR and the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and Regulation 25(2) of SEBI LODR. The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment are disclosed on the website of the Company.

Based on declaration received from independent directors, the Board is of the opinion that independent directors fulfill the conditions specified in these regulations and are independent of the management

#### FAMILIARISATION PROGRAMME:

Pursuant to the provisions of the Act and Regulation 25 (7) of the Listing Regulations, the Company has, during the year, conducted familiarization programmes for its Independent Directors and other Directors. Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, among others, and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

The details of familiarization programmes imparted to Independent Directors are also disclosed on the Company's website: <https://www.bagla-group.com/investor-relations/>.

### 3. Audit Committee

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013. All the recommendations made by the Audit Committee were accepted by the Board.

The terms of reference of the audit committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act

- a) Changes, if any, in accounting policies and practices and reasons for the same
- b) Major accounting entries involving estimates based on the exercise of judgment by management
- c) Significant adjustments made in the financial statements arising out of audit findings
- d) Compliance with listing and other legal requirements relating to financial statements

- e) Disclosure of any related party transactions
- f) Modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - Review and monitor the auditors' independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the Company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the Company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - Discussion with internal auditors of any significant findings and follow up there on;
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - To review the functioning of Whistle Blower mechanism.
  - Approval of appointment of CFO;
  - Carrying out any other function as is mentioned in the terms of reference of the audit committee;

**To mandatorily review the following information:**

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal, and terms of remuneration of the chief internal auditor.

**The composition of the audit committee as at 31st March, 2024 and the details of meetings attended by its members are given below:**

Name	Category	No. of Meetings during the Financial Year 2023-24	
		Held	Attended
Mr. Sudeep Pande(Chairman)	Non Executive Independent Director	6	6
Mr. Amit Kumar(Member)	Non Executive Independent Director	6	6
Mr. Pawan Kumar Gupta(Member)	Non Executive Independent Director	6	6

During the financial year 2023-24, meetings of the Audit Committee were held 6 times i.e. on 29<sup>th</sup> May 2023, 11<sup>th</sup> August 2023, 24<sup>th</sup> August 2023, 11<sup>th</sup> November 2023, 26<sup>th</sup> December 2023 and 14<sup>th</sup> February 2024.

The Board has considered all recommendations of the Audit Committee as and when provided during the year under review and hence, do not call for any disclosure under Section 177(8) of the Companies Act, 2013.

#### 4. **Nomination and Remuneration Committee**

The broad terms of reference of the nomination and Remuneration Committee are as under:

1. 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;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. 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 company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

**The composition of the Nomination and Remuneration Committee as at 31st March, 2024 and the details of meetings attended by its members are given below:**

Name	Category	No. of Meetings during the Financial Year 2023-24	
		Held	Attended
Mr. Pawan Kumar Gupta (Chairman)	Non-Executive Independent Director	1	1
Mr. Amit Kumar (Member)	Non-Executive Independent Director	1	1
Mr. Sudeep Pande (Member)	Non-Executive Independent Director	1	1

During the financial year 2023-24, One meeting of the Committee was held i.e. on 11th August 2023.

#### 5. **DETAILS OF REMUNERATION PAID TO THE DIRECTORS**

The Details of remuneration paid to Executive Directors are given below:

Particulars	Mr. M. S. Bagla (Managing Director)	Sh. Suresh Shridhar Ajila (Executive Director)	Mrs. Urmila Goenka (Executive Director)	Mr. Ashok Pathak (Executive Director)
Salary and Allowance	Rs. 1,20,00,000/-	Rs. 10,08,328/-	Rs.3,60,000/-	Rs.14,86,074/-
Contribution to Superannuation Fund (Rs.)	NIL	NIL	Nil	Nil
Bonus and performance linked Incentive (Rs.)	Nil	NIL	NIL	NIL
Service Contract	5 Years	3 Years	3 Years	5 Years
Notice period	30 Days	30 Days	30 Days	30 Days

*The Details of remuneration/sitting fee paid to Non-Executive Director and number of Shares held are given below.*

Sl.No.	Name	Commission Payable (Rs.)	Sitting Fees	Shares held
1	Mr. Amit Kumar	—	50,000/-	—
2	Mr. Sudeep Pande	—	40,000/-	—
3	Mr. Pawan Kumar Gupta	—	30,000/-	—
4	Mr. Ravi Kumar Agarwal	—	15,000/-	—

The Company follows a policy on remuneration of Directors and Senior Management Employees, which is available on the website of the Company at the following link <https://www.bagla-group.com/investor-relations/>.

#### 6. i) Stakeholders Relationship Committee

During the financial year 2023-24, meetings of the Stakeholder Relationship Committee were held on **29<sup>th</sup> May, 2023, 11<sup>th</sup> August, 2023, 11<sup>th</sup> November, 2023 and 14<sup>th</sup> February, 2024.**

**Salient roles and responsibilities associated with Stakeholders Relationship Committee include, but are not limited to the following:**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

The working of the Stakeholders Relationship Committee of your Company and its composition and other details are given below:

Name	Category	No. of Meetings during the Financial Year 2023-24	
		Held	Attended
Mr. Amit Kumar (Chairman)	Non Executive Independent Director	4	4
Mr. Madhusudan Bagla (Member)	Executive Director	4	4
Mr. Sudeep Pande (Member)	Non Executive Independent Director	4	4

**Detailsof investor complaints received and redressed during the year 2023-24 are as follows:**

Received during the year	Resolved during the year	Closing balance
0	0	0

There were no pending complaints as on March 31, 2024.

The Company Secretary is designated as the “Compliance Officer” who oversees the redressal of the investors’ grievances.

## ii) Independent Directors' Meeting

The role of Independent Directors is to review the performance of the Non-Independent Directors (including the Chairman) and the entire Board and also to assess the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

During the year under review, one meeting of Independent Directors was held on 31<sup>st</sup> March, 2024 and independent Directors reviewed the all the matters as per schedule IV of the Companies Act, 2013.

All the Independent Directors were present at the meeting.

## 7. Corporate Social Responsibility

### Committee

#### Term of reference

The Corporate Social Responsibility Committee has been constituted by the Board to formulate and recommend to the Board, a corporate Social responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act; recommend the amount of expenditure to be incurred on the activities referred above: and monitor the Corporate Social Responsibility Policy of the Company from time to time.

#### Composition

As on 31<sup>st</sup> March, 2024, the Committee comprises of three members including two Non-Executive Independent Director namely Shri. Amit Kumar and Shri. Pawan Kumar Gupta, One Executive Director namely Shri. Madhusudan Bagla Managing Director.

During the year under review meeting of the Corporate Social Responsibility Committee were held on 04<sup>th</sup> April, 2023.

Name	Category	No. of Meetings during the Financial Year 2023-24	
		Held	Attended
Mr. Madhusudan Bagla( Chairman)	Executive Director	1	1
Mr. Amit Kumar (Member)	Non Executive Independent Director	1	1
Mr. Pawan Kumar Gupta (Member)	Non Executive Independent Director	1	1

## 8. General Body Meetings

Detail of location, time and date of last three AGMs are given below:-

Financial year	Date	Time	Place
2020-2021	29.09.2021	12.00 PM	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility
2021-2022	30.09.2022	2.00 PM	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility
2022-2023	23.09.2023	2.00 PM	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility

Special Resolutions passed at the last 3 (three) AGMs:

Financial year	Items
2020-2021	a) Resolution to approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013. b) Resolution to Create Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings. c) Resolution to approve enhancement in limits for making investments under Section 186 of the Companies, Act 2013. d) Resolution for appointment of Mr. Ashok Kumar Pathak as Whole-Time Director. e) Resolution for Payment of remuneration to Mr. Suresh Shridhar Ajila, Whole time Director
2021-2022	a) Re-appointment of Mr. Madhusudan Bagla (DIN: 01425646) as Managing Director of the Company. b) Payment of remuneration to Mrs. Urmila Goenka, Whole time Director c) Payment of remuneration to Mr. Suresh Shridhar Ajila, Whole time Director. d) To approve transactions under Section 185 of the Companies Act, 2013
2022-2023	a) Re-appointment of Mrs. Urmila Goenka as Whole-Time Director. b) Re-Appointment of Mr. Suresh Shridhar Ajila as Whole-Time Director. c) Re-appointment of Mr. Sudeep Pande as a Non-Executive Independent director. d) Payment of remuneration to Mr. Madhusudan Bagla, Managing Director e) Payment of remuneration to Mr. Ashok Kumar Pathak, Whole Time Director

#### **Postal Ballot:**

During the financial year under review, no postal ballot was conducted by the company and no special resolution is proposed to be conducted through postal ballot by the Company.

#### **9. Other Disclosures:**

##### **i. Related Party transactions:**

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link <https://www.bagla-group.com/investor-relations/>.

##### **ii. Statutory Compliance, Penalties and Structures:**

Details of non-compliance by the Company, penalties, structures imposed on the Company by the stock exchanges or the securities and exchange board of India or any statutory authority, on any matter related to capital markets, during the last three years 2021-22, 2022-23 and 2023-24 respectively:

Our Company has received a notice SOP-Review-(20-May-2022) through email from stock exchange regarding the violation of Regulation 17(2A) of SEBI (LODR) Regulations, 2015, whereas company was already in compliance for the said regulation. However, the company had paid the penalty due to procedural requirement on June 09, 2022 and request for the waiver of penalty.

I further report that our Company has received a notice SOP-CReview-July2022 through email from stock exchange regarding the violation of Regulation 23(9) of SEBI (LODR) Regulations, 2015, for delay of one day in filling the disclosure of related party transactions and the company had paid the penalty on July 29, 2022.

##### **iii. Disclosure relating to whistle blower policy and affirmation that no personnel have been denied access to the chairman of the audit committee.**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees

and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has also been put up on the website of the Company at the following link [www.bagla-group.com](http://www.bagla-group.com)

iv. **Reconciliation of share capital audit:**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

v. **Code of Conduct**

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2024. The Annual Report of the Company contains a Certificate by the Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not Applicable

vii **Certificate of non- disqualification of Directors:**

Certificate from PCS that none of the directors are debarred or disqualified forms a part of this Annual Report

viii. **Details of the payment to Statutory Auditors:**

Salarpuria & Partners, Chartered Accountants (Firm Registration No. 302113E) have been appointed as the Statutory Auditors of the Company. During the year ended, the Company have paid a sum of 3.60 Lakhs to the Statutory Auditors.

ix. The Company has granted loans and advances in the nature of loans to firms/companies in which directors are interested and provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

x. **Mandatory Requirements:**

The Company has complied with and disclosed all the mandatory corporate governance requirements under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of Listing Regulations, 2015 (relating to disclosure on the website of the Company).

M/s Mukesh Agarwal & Co., Practicing Company Secretaries has audited the conditions of the Corporate Governance and after being satisfied with the compliance of the same, a certificate on compliance of the same has been issued to the Company, which forms part of this report.

xi. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

xii. The web link of policy for determining 'material' subsidiaries and policy on dealing with related party transactions available on the Company website <https://www.bagla-group.com/investor-relations/>.

xiii. **Recommendations of the Committees:**

During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee / Nominations and Remuneration Committee / Corporate Social Responsibility Committee on any matter which is mandatorily required.

xiv. **Equity shares in Unclaimed Suspense Account**

There are NIL Equity shares in Unclaimed Suspense Account under Regulation 39 and Schedule VI of Listing Regulations.

#### 10. **Means of communication:**

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India which include Business Standard (English) and Jansatta (Hindi). The results are also displayed on the Company's website "[www.bagla-group.com](http://www.bagla-group.com)". The company is also providing regular information to the Stock Exchanges as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A management discussion and analysis report is a part of the Company's annual report.

#### 11. **GENERAL SHAREHOLDER INFORMATION**

##### 11.1 Annual General Meeting

Date and Time:	30 <sup>th</sup> September, 2024 at 2.00 P.M.
Venue :	No Physical meeting is required to be held on as per the General Circular No 09/2023 dated 25 <sup>th</sup> September, 2023 issued by MCA, the meeting will be held through Video Conferencing other Audio/ Visual Matters.

##### 11.2 Financial Calendar (2024-25)

Annual General Meeting
For the next year ending 31 <sup>st</sup> March, 2025 before 30 <sup>th</sup> September 2025

11.3 Book Closure date	24.09.2024 to 30.09.2024
------------------------	--------------------------

11.4 Dividend Payment date	N.A
----------------------------	-----

11.5 Listing of Equity Shares on Stock Exchange Add:	BSE Limited 1st Floor, Rotunda Buildings, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
--	--

**The annual listing fee payable to the stock exchanges for the Financial year 2023-24 have been paid in full.**

##### 11.6 Stock Code

(i) ISIN Numbers	Equity Shares INE 074C01013
------------------	-----------------------------

##### 11.7 Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.  
Noble Heights, 1st Floor, Plot No.  
NH 2, LSC,C-1 Block, Near Savitri  
Market,Janakpuri, New Delhi-110058  
Phone No. +91 11 4141 0592

##### 11.8 Share Transfer Systems:

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from April 1, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the Depositories with no involvement of the Company. Any Director of the Company or the Company Secretary is empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialised form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.



**11.9. Categories of equity shareholders as on March 31, 2024:**

Category	No. of Shares	% of Shares
Promoter's Holding(including foreign Promoters if any)	3506495	68.54
Non Promoter's Holding	1609805	31.46
<b>TOTAL</b>	<b>5116300</b>	<b>100</b>

**11.10 Distribution of Share holding as on March 31, 2024**

No of Equity Shares Held	No of Shareholder	% of Shareholder	Number of Shares	% of Shareholding
1-500	8019	96.7077	532857	10.4149
501-1000	134	1.616	103905	2.0309
1001-2000	70	0.8442	108205	2.1149
2001-3000	20	0.2412	48423	0.9464
3001-4000	19	0.2291	66243	1.2947
4001-5000	4	0.0482	18125	0.3543
5001-10000	6	0.0724	45534	0.8900
10001and above	20	0.2412	4193008	81.9539
<b>Total</b>	<b>8292</b>	<b>100.0000</b>	<b>5116300</b>	<b>100.0000</b>

- 11.11** In accordance with provisions of Section 124 and Section 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, The Companies Shall transfer the dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the investor Education and protection Fund (IEPF). Further, the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to the IEPF. Once the unclaimed dividends/shares are transferred to the IEPF, Members will not able to claim the same from the Company. However, pursuant to the aforesaid provision, the member can claim their unclaimed dividends/ shares transferred to IEPF, by making an online application to the IEPF Authority through Form IEPF-5 available on the website of the Authority [www.iepf.gov.in](http://www.iepf.gov.in).

**11.12 Market price data: High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2023-24 on BSE**

Month	High	Low	No. of shares traded
April, 2023	248.80	196.10	1,00,000
May, 2023	244.95	186.00	1,00,000
June, 2023	208.95	186.60	1,00,000
July, 2023	200.00	172.00	2,00,000
August, 2023	325.00	188.25	3,00,000
September, 2023	299.90	252.00	1,00,000
October, 2023	279.00	243.90	1,00,000
November, 2023	326.50	246.80	2,00,000
December, 2023	368.00	290.55	1,00,000
January, 2024	368.00	303.00	1,00,000
February, 2024	538.80	300.05	4,00,000
March, 2024	450.00	315.90	1,00,000

**11.13 Top ten equity shareholders of the Company as on March 31, 2024(Excluding Promoters, Directors and Person Acting in Concert)**

S.No	Name of the shareholder	No. of Shares held	Percentage of shares held
1.	Investor Education And Protection Fund Authority Ministry of Corporate Affairs	282740	5.5263
2.	Saphire Hospitality Management Pvt Ltd	255320	4.9903
3.	Varsha Chugh	51377	1.0042
4.	Bharat Kumar Gupta	38113	0.7449
5.	Vipulkumar Ambalal Vora	14808	0.2894
6.	Value Industries Limited	14200	0.2775
7.	Sharda Manoj Kasliwal	12800	0.2502
8.	Praveen Arora	10603	0.2072
9.	Mahendra Girdharilal Wadhvani	10247	0.2003
10.	Baij Nath Prasad	66	0.0013

**11.14 Dematerialisation of shares and liquidity**

The Company's shares are compulsorily traded in dematerialised form. Equity shares of the Company representing 97.53% of the Company's equity share capital are dematerialised as on March 31, 2024. The Company's equity shares are regularly traded on BSE IN dematerialised form. Under the depository system, the international securities identification number (ISIN) allotted to the Company's shares is **INE 074C01013**.

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

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2024, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

11.16 During the period under review, the securities of the Company have not been suspended from trading.

11.17 CARE Ratings Ltd. has assigned the ratings of bank loan facilities of the Company as follows:

Facilities	Tenure	Rating
Bank Facilities	Long Term	CARE BBB; Stable (Triple B; Outlook: Stable)
Bank Facilities	Short Term	CARE A3+ (A Three Plus)

11.18 **Plant Location:**

- 1) 29<sup>th</sup> Mile Stone, G.T. Road, Village Achheja, Tehsil- Dadri, Distt.-Gautambudh Nagar U.P
- 2) Plot No-15, KIE Industrial Estate, Opposite Uttam Sugar Mill, Village Mundiyaiki, Pargana Manglore Tehsil- Roorkee, Distt. –Haridwar-247667
- 3) Survey No 380/1, Village Bhardeshwar, Mundra District, Gujrat

11.19 **Address for Correspondence:**

Share Transfer and Demat

Link Intime India Pvt. Ltd.  
Noble Heights, 1st Floor, Plot No. NH 2,  
LSC, C-1 Block, Near Savitri Market,  
Janakpuri, New Delhi-110058

**Note:** Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

Any query on Annual Report:

Secretarial Department  
**Hindustan Adhesives Ltd.**  
B-2/8, SAFDARJUNG ENCLAVE,  
NEW DELHI 110029  
Email-accounts@hindustanadhesives.com

By order of the Board of Directors of  
**HINDUSTAN ADHESIVES LIMITED**

**Date :** 14.08.2024

**Place :** New Delhi

**ASHOK KUMAR PATHAK**  
**(WHOLE-TIME DIRECTOR)**  
**DIN:** 09283908

**MADHUSUDAN BAGLA**  
**(MANAGING DIRECTOR)**  
**DIN:** 01425646

**DECLARATION BY THE MANAGING DIRECTOR UNDER THE LISTING REGULATIONS REGARDING COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all Board Members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2024

**Madhusudan Bagla**  
Managing Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

**(As per Regulation 34 of the SEBI Listing Regulations)**

### **INDUSTRY AND OUTLOOK:**

The Company is the largest integrated producer of Carton Sealing Tapes in the country and having production facilities for making BOPP Adhesive Tapes with both Acrylic and Hot-Melt technology. It also has its own adhesive making facility along with facilities for making paper cores and cartons in-house, besides multiple printing equipments, slitting and spooling facilities to make many value added import substitute products for both the domestic and international markets. The Company also produces many types of specialty tapes like Filament Tapes, Carry Handle Tapes, Tear Tapes, Tamper evident Tapes and many more.

### **OPPORTUNITIES AND THREATS:**

With the focus towards becoming a leading International supplier of its products and with our efforts in supporting the vision of the Honorable Prime Minister of India for “Atmanirbhar Bharat”, as also for Make in India and supply to the world, the Company has ample opportunities to utilize full capacities for production of Self Adhesive Tapes and be able to focus on building its Brand and Image as a quality supplier of Adhesive Coated Products globally.

Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company’s operations include economic conditions affecting demand- supply and price conditions in the markets in which the Company’s operates, raw material availability and its prices, changes in the Governmental regulations, labour negotiations, tax laws and other statutes and economic development within India.

### **RISKS & CONCERNS:**

The Company is taking proactive steps in implementing management principles well adapted to the demands of the changing environment. The company has the policy of assessing the risk and managing the business. The company is operating on a well defined plan and strategy; hence we are equipped to face any change in regulatory risk.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has a well placed proper and adequate internal control system commensurating with the size and nature of its business. The Board has appointed Internal Auditors to strengthen the internal control system.

The primary objective of the internal control system is to ensure that all its assets are safeguarded and protected and prevent any revenue leakage and losses to the Company. The Company has proper system of checking and/or review of functioning of the employees. The present reporting structure ensures independence of the internal audit function and embodies best corporate governance practices.

### **FINANCIAL PERFORMANCE:**

Please refer Director’s Report for financial performance of the company. Segment/product wise performance is not applicable to the company.

### **HUMAN RESOURCE DEVELOPMENT:**

The company has focus to retain its manpower by providing good working conditions thereby reduce turnover ratio.

**SIGNIFICANT FINANCIAL RATIO**

Particulars	Formula	2023-24	2022-23	% change	Reason for change
(a) Current Ratio	Current Assets/Current Liabilities	0.97	1.00	-0.03	No Significant Change
(b) Debt-Equity Ratio	Total debt/Shareholder's Equity	0.80	1.11	-0.32	Due to increase in retained earnings
(c) Debt Service Coverage Ratio	Net Operating Income/ Debt Service	1.46	0.92	0.53	Due to increase in retained earnings
(d) Return on Equity Ratio	Net Income/ Shareholder's Equity	21.62	8.14	13.48	Due to increase in earnings
(e) Inventory turnover ratio	COGS/Average Inventory	4.81	4.98	-0.17	No Significant Change
(f) Trade Receivables turnover ratio	Net credit Sales/ Ave. Trade Receivable	9.25	8.77	0.47	Due to better collection
(g) Trade payables turnover ratio	Net credit purchase/ Ave. Trade payable	11.44	13.67	-2.23	Due to better payment
(h) Net capital turnover ratio	Net Sales/Avg Working Capital	-290.63	102.54	-393.16	Increase in Current Liabilities
(i) Net profit ratio	Net profit/Total Revenue	5.39	1.51	3.88	Due to increase Turnover with Increase margin
(j) Return on Capital employed	EBIT/Capital Employed	29.43	13.58	15.85	Due to increase in earnings
(k) Return on investment	Income earn on Investment/ Value of the Investment	NA	NA	NA	NA

**DISCLOSURE OF ACCOUNTING TREATMENT:**

In preparation of the financial statements, the applicable provisions of Companies Act, 2013, Indian Accounting Standards and other applicable Laws have been strictly adhere to. The Financial Statements of the Company along with the notes are further discussed in this Report

**Madhusudan Bagla**  
Managing Director

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of Hindustan Adhesives Limited

We have examined the compliance of conditions of Corporate Governance by **Hindustan Adhesives Limited**, for the year ended March 31, 2024, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that all investor grievances were redressed within 30 days of lodgement of grievance and as on March 31, 2024 no investor complaint is pending against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

**M/s. Mukesh Agarwal and Co**  
**Company Secretaries**

**(Mukesh Kumar Agarwal)**

Proprietor

C.P. No: 3851

UDIN: F005991F000925571

**Place:** New Delhi

**Date:** 08.08.2024

**CEO/CFO CERTIFICATION**

**We, Mr. Madhusudan Bagla, Managing Director and Mr. Nakul Bagla, Chief Financial Officer hereby certify for the Financial year ended 31<sup>st</sup> March, 2024 that:**

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024 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 existing Accounting Standards, applicable Laws and Regulations.
- b) We are, to the best of my knowledge and belief; no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2024 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 and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee
  - (1) That there was no significant changes in internal control over financial reporting during the year;
  - (2) That there was no significant changes in accounting policies during the year; and
  - (3) That there was no instances of significant fraud of which we have become aware.

**Place:** New Delhi

**Date:** 14.08.2024

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

To Members of Hindustan Adhesives Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **Hindustan Adhesives Limited** hereafter referred to as the "Company") which comprise the Balance Sheet as at 31st March, 2024, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key Audit Matters Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position,

financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant of the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

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



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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Statement of Standalone Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact pending litigation on its financial position in its Standalone Financial Statements. Refer Note 35(d) to the standalone financial statements
    - (ii) The Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses, if any on long - term contracts including derivative contracts
    - (iii) The Company has transferred the unpaid dividend amount related to financial year 2016-2017 to investor education and protection fund as on 19th January, 2024.
    - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded

- in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure- “B” a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.-

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No. 302113E**

**Kamal Kumar Gupta**  
Partner  
M.No.089190

Place: New Delhi  
Date: 30.05.2024  
UDIN: 24089190BKEYMY1911

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 (f) of Report on Other Legal and Regulatory Requirements section of our Report to members of **Hindustan Adhesives Limited** of even date) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Hindustan Adhesives Limited** ("the Company") as of 31st March, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No. 302113E**

**Kamal Kumar Gupta**  
Partner  
M.No.089190

Place: New Delhi  
Date: 30.05.2024  
UDIN: 24089190BKEYMY1911

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

With reference to the Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2024, we report that:

**i) In respect of property, plant and equipments:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- b) As explained to us, The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

**ii) In respect of its inventories:**

- a) The inventory, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt in the books of accounts.
- b) As informed by the management, the proper records of inventory are being maintained and no material discrepancies were noticed during such physical verifications.
- c) The Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company excepts as stated in note no. 37(ix) to the financial statement.

**iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:**

- (a) The Company has made investments in, provided/ stood guarantee and granted unsecured loans during the year and details of which are given below:

(Amount in Rs.)

Particulars	Investment	Loan	Guarantees
Aggregate amount granted during the year			
a. Body Corporates - Subsidiary	11,28,99,940/-	4,50,00,000/-	40,70,00,000/-
b. Body Corporates - Associates	Nil	Nil	Nil
c. Body Corporates - Others	43,58,800/-	15,00,000/-	Nil
Balance outstanding as at balance sheet date in respect of above cases			
a. Body Corporates - Subsidiary	12,75,99,940/-	Nil	40,70,00,000/-
b. Body Corporates - Associates	Nil	Nil	Nil
c. Body Corporates - Others	1,06,25,000/-	15,00,000/-	Nil

The Company has not provided any advances in the nature of loans or security to any other entity during the year.

- (b) In our opinion, the investments made guarantees provided and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted Loans to its other related parties which are repayable on demand details of which are given below:

(Amount in Rs.)

Particulars	All parties	Related Parties
Aggregate of loans repayable on demand	15,00,000/-	15,00,000/-
Percentage of total loans	—	100%

- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, are required to be complied with.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and according to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-

tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues were in arrears as at 31 March 2024.

- b) According to the information and explanations given to us, there are no disputed statutory dues which have to be deposited with the appropriate authorities except:

Nature of Statute	Nature of dues	Forum where Dispute are pending	Period to which amount are related	Amount	Pending
Income Tax Act, 1961	Income tax demand	Asst. Commissioner of Income Tax	AY 2017-18	3,92,097/-	Rectification applied
Income Tax Act, 1961	Income tax demand	Assistant Commissioner of Income tax (Jurisdictional)	AY 2014-15	4,71,748/-	Rectification applied
Income Tax	Income tax	Assistant Commissioner of	AY 2016-17	4,71,748/-	Rectification applied
Income Tax Act, 1961	Income tax demand	Commissioner of Income Tax Appeals (NFAC)	AY 2014-15	50,47,349/-	Appeal filed against addition made
Income Tax Act, 1961	Income tax demand	Commissioner of Income Tax Appeals (NFAC)	AY 2015-16	19,14,850/-	Appeal filed against addition made
Income Tax Act, 1961	Income tax demand	Commissioner of Income Tax Appeals (NFAC)	AY 2018-19	15,72,931/-	Appeal filed against addition made
Income Tax Act, 1961	Income tax demand	Asst. Commissioner of Income Tax	AY 2019-20	41,82,343/-	Rectification for Error in calculation

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix) (a) According to the information and explanations given to us, The Company has not defaulted in the repayment of dues to any financial institution, banks, Government and debenture holders during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the term loans were applied for the purpose for which the loans were obtained .
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, as at 31 March 2024 we report that the no funds raised on short term basis have been used for long term investment.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedure
- (xii) The Company is not a Nidhi Company and therefore the provisions of Clause 3 (xii) of the order are not applicable to the company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to information and explanations given to us by the management, the Company has not entered into any non-cash transactions specified under Section 192 of the Companies Act 2013 with directors or persons connected with him.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no ongoing projects, for which the Company has to transfer unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.



(xxi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, There have been no qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) report of the company included in the consolidated financial statements.

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No. 302113E**

**Kamal Kumar Gupta**  
Partner  
M.No.089190

Place: New Delhi  
Date: 30.05.2024  
UDIN: 24089190BKEYMY1911

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

CIN: L74899DL1988PLC031191

Particulars	Notes No.	As at 31 March 2024 (Rs. in Lakhs)	As at 31 March 2023 (Rs. in Lakhs)
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
a) Property, Plant and Equipments	4	7,226.09	7,686.38
b) Capital work-in-progress	5	-	25.69
<b>c) Financial Assets</b>			
i) Investments	6	1,514.92	342.33
ii) Other Financial Assets	7	261.42	204.38
d) Other-non current Assets	8	149.73	107.67
<b>Total non-current assets</b>		<b>9,152.16</b>	<b>8,366.45</b>
<b>2 Current assets</b>			
a) Inventories	9	3,754.32	5,121.77
<b>b) Financial assets</b>			
(i) Trade receivables	10	3,988.05	2,591.33
(ii) Cash and cash equivalents	11	225.91	115.44
(iii) Bank balances other than (ii) above	12	-	3.95
(iv) Other Financial Assets	13	7.39	7.89
c) Other current assets	14	884.80	597.73
<b>Total current assets</b>		<b>8,860.47</b>	<b>8,438.12</b>
<b>Total Assets</b>		<b>18,012.63</b>	<b>16,804.57</b>
<b>B. Equity and Liabilities</b>			
<b>1 Equity</b>			
a) Equity Share capital	15	511.63	511.63
b) Other equity	16	7,076.39	5,460.50
<b>Total equity</b>		<b>7,588.02</b>	<b>5,972.13</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
<b>a) Financial Liabilities</b>			
Borrowings	17	913.26	1,914.12
b) Provisions	18	167.47	161.87
c) Deferred tax liabilities (Net)	19	252.13	340.30
<b>Total non-current liabilities</b>		<b>1,332.86</b>	<b>2,416.29</b>

Particulars	Notes No.	As at 31 March 2024 (Rs. in Lakhs)	As at 31 March 2023 (Rs. in Lakhs)
<b>3 Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	20	5,127.38	4,726.25
<b>(ii) Trade payables</b>	21		
a) Total Outstanding dues of micro, small and medium Enterprises (MSME)		649.20	495.59
b) Total Outstanding dues of Creditors other than MSME		1,825.10	1,998.05
(iii) Other Financial liabilities	22	124.73	210.42
b) Other Current liabilities	23	1,314.58	944.38
c) Provisions	24	50.75	40.81
d) Current Tax Liabilities (Net)	25	-	0.65
<b>Total current liabilities</b>		<b>9,091.74</b>	<b>8,416.15</b>
<b>Total liabilities</b>		<b>10,424.61</b>	<b>10,832.43</b>
<b>Total equity and liabilities</b>		<b>18,012.63</b>	<b>16,804.57</b>

Significant accounting policies  
Other Notes to accounts

1-3

The Accompanying notes are an integral part of the Ind AS financial statements

4-50

As per our report of even date attached

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

**For and on behalf of the Board of Directors**

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMY1911

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

CIN: L74899DL1988PLC031191

PARTICULARS	Notes No.	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
I Revenue From Operations (Gross)	26	30,416.41	32,153.87
II Other Income	27	300.34	364.09
<b>III Total Income (I+II)</b>		<b><u>30,716.75</u></b>	<b><u>32,518.96</u></b>
<b>IV EXPENSES</b>			
Cost of Materials Consumed	28	18,573.36	22,051.58
Purchase of Stock-in-Trade		163.96	-
Changes in inventories of finished goods, Work in Process and Stock-in-Trade	29	292.41	(375.98)
Employee Benefits Expenses	30	2,128.23	2,095.33
Finance Cost	31	526.48	679.89
Depreciation and amortization Expenses	32	873.63	1,098.21
Other Expenses	33	5,973.65	6,387.35
<b>Total expenses (IV)</b>		<b><u>28,531.72</u></b>	<b><u>31,936.38</u></b>
V <b>Profit before exceptional items and tax (III-IV)</b>		2,185.03	582.58
VI Exceptional Items			
<b>VII Profit before tax (V-VI)</b>		<b><u>2,185.03</u></b>	<b><u>582.58</u></b>
VIII <b>Tax expense:</b>			
(1) Current tax	14 (d)	632.60	187.00
(2) Deferred tax	19	(88.18)	(90.57)
		<b><u>544.42</u></b>	<b><u>96.43</u></b>
<b>IX Profit for the period from continuing operations (VII-VIII)</b>		<b><u>1,640.61</u></b>	<b><u>486.15</u></b>
X Profit from discontinued operations before tax		-	-
XI Tax expense of discontinued operations		-	-
XII Profit from Discontinued operations (after tax) (X-XI)		-	-
<b>XIII Profit for the period (IX+XII)</b>		<b><u>1,640.61</u></b>	<b><u>486.15</u></b>
<b>XIV Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
(i) Re-measurements of the defined benefit liabilities / (asset)			
(ii) Income tax relating to above			
<b>B. Items that may be reclassified to profit or loss</b>			
Income tax relating to above			
<b>Total other comprehensive income</b>			
<b>XV Total Comprehensive Income for the period (XIII+XIV)</b>		<b><u>1,640.61</u></b>	<b><u>486.15</u></b>
XVI Earnings per equity share (for continuing operation):			
(1) Basic		32.07	9.50
(2) Diluted		32.07	9.50

Significant accounting policies 1-3  
Other Notes to accounts

The Accompanying notes are an integral part of the Ind AS financial statements 4-50

As per our report of even date attached

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

**For and on behalf of the Board of Directors**

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMY1911

**STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**  
CIN: L74899DL1988PLC031191

PARTICULARS	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
<b>A Cash flows from operating activities</b>		
Profit for the year (before tax)	2,185.04	582.54
Adjustments for:		
Depreciation and amortisation expense	873.63	1,098.21
Provision for Gratuity and Leaves	15.54	9.76
Liabilities no longer required written back	-	(4.18)
Net gain on sale of property, plant and equipment	(9.83)	(6.95)
Interest expense	440.05	556.50
Interest income	(25.09)	-9.79
<b>Operating profit before changes in assets and liabilities</b>	<b>3,479.34</b>	<b>2,226.09</b>
Changes in assets and liabilities :		
(Increase) decrease in inventories	1,367.46	-213.68
(Increase) decrease in trade receivables and loans+	(1,438.78)	2,503.71
(Increase) decrease in other financial assets	(282.05)	714.69
Increase (decrease) in trade payables	(19.34)	(1,632.97)
Increase (decrease) in other financial liabilities	284.51	-650.78
<b>Cash (used in)/generated from operating activities</b>	<b>3,391.14</b>	<b>2,947.06</b>
Income tax paid (net of refund)	(719.52)	(249.47)
<b>Net cash (used in)/from operating activities (A)</b>	<b>2,671.62</b>	<b>2,697.59</b>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(409.54)	(779.86)
Acquisition of property, plant and equipment (Capital WIP)	-	(25.69)
Proceeds from sale of property, plant and equipment	31.71	10.07
Purchase of investments	(1,172.59)	(174.90)
Interest received	25.09	9.79
<b>Net cash flow from (used in) investing activities (B)</b>	<b>(1,525.33)</b>	<b>(960.60)</b>

PARTICULARS	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
<b>C Cash flows from financing activities</b>		
(Repayment) / Proceeds of long term borrowings	(1,000.85)	(1,316.53)
(Repayment) / Proceeds from current- borrowings(net)	401.12	(88.98)
Interest paid	(440.05)	(556.50)
Dividend paid on equity shares	-	-
Net cash flow from (used in) financing activities ( C)	<u>(1,039.78)</u>	<u>(1,962.01)</u>
Net decrease in cash and cash equivalents (A+B+C)	106.51	(225.02)
Cash and cash equivalents at the beginning of the year	119.40	344.42
<b>Cash and cash equivalents at the end of the year</b>	<u><b>225.91</b></u>	<u><b>119.40</b></u>

**Note:**

- a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7)
- b) Cash and cash equivalents comprises of:

Particulars	As at 31 March 2024	As at 31 March 2023
<b><u>Balances with banks:</u></b>		
Balance in Current Account	19.69	47.20
In Term Deposit accounts	203.70	68.15
In Dividend Accounts	-	3.95
Cash on hand	2.52	0.10
<b>Cash and cash equivalents as per balance sheet</b>	<u><b>225.91</b></u>	<u><b>119.40</b></u>

As per our report of even date attached

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

**For and on behalf of the Board of Directors**

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMY1911

**Notes to the financial statements as at and for the year ended 31st March,2024**
**1 Corporate Overview**

Hindustan Adhesives Limited (the 'Company') is a Company domiciled in India with its registered office situated at B-2/8, Safdarjung Enclave, New Delhi-110029. The Company has been incorporated under the provisions of Companies Act, 1956 and its equity shares are listed on the BSE in India.

The Company Established in 1988, Ventured into manufacturing products for fast growing packaging industry with establishing Hindustan Adhesives Limited - A Specialty Adhesive Coating Company with the then latest technology of Acrylic emulsion based coating and Hot Melt Adhesive coatings. It further expanded progressively to bring into India the latest and Specialized Double Bubble Film technology in this Industry. The Company has three manufacturing locations (Gautam-budh Nagar in Uttar Pradesh , Roorkee in Uttarakhand and Bhadreswar - Kutch, in Gujarat), with a marketing presence throughout India and exports to all the major Continents in the world, having won many Leading Exporter Awards from the Govt. of India.

**2 Basis of preparation and presentation**
**A. Statement of compliance**

- a) These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable and other relevant provision of the Act under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, notified under the Act and Rules prescribed there under.

**B. Basis of Preparation**

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Employee's defined benefit plan	As per actuarial valuation

**C. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to the nearest rupee except share data or as otherwise stated.

**D. Use of estimates**

In preparing these financial statements management has made judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are furnished in the relevant notes.

**E. Measurement of fair values**

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For the purpose of Fair value disclosures the company has determined classes of assets and liabilities on the basis of nature characteristics and risk of assets or liabilities and the level of fair value hierarchy as explained above this note summarises accounting policies for fair value and the other fair value related disclosures are given in relevant notes.

### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS balance sheet unless otherwise indicated.

#### a. Foreign currency transactions

Transactions in foreign currencies are translated into functional currency of the Company at the rate prevailing at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

- Foreign currency monetary items are translated in the functional currency at the exchange rate at the reporting date.
- Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the rate when the fair value was determined.
- Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.
- Exchange differences are recognised in profit or loss in the period in which they arise, except exchange differences arising from the translation of the items which are recognised in OCI.

#### b. Financial instruments

##### i. Recognition and initial measurement

Financial instruments are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue of financial assets or liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

##### ii. Classification and subsequent measurement

###### Financial assets

On subsequent recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets and the contractual cash flow characteristics of the financial asset.



A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- “ the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- “ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investmentbyinvestment basis.

If all financial assets are not measured at amortised cost or FVOCI as described above, to be measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

#### Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or ‘Other financial liabilities’. A financial liability is classified as at FVTPL if it is classified as heldfortrading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

#### iii. De-recognition

##### Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

##### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

**iv. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**v. Derivative financial instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Changes in the fair value of any derivative instrument are recognised immediately in the statement of profit and loss and are included in other income or expenses.

**c. Property, plant and equipment and capital work-in-progress****i. Recognition and measurement****Property, plant and equipment**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**Capital work-in-progress**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets.

**ii. Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised and, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

**iii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company otherwise charged in statement of profit & loss for the period in which the costs are incurred.

**iv. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method for Plant & Machinery and Electric Installation and the written down value method for Building, Office Equipment, Air conditioner, Furniture & Fixtures, computers and vehicles and is generally recognised in the statement of profit and loss.

Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are estimated by the Management, which are equal to the life prescribed under the Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

**d. Inventories**

Inventories are valued as follows:

- i. Raw materials, stores and spares are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on First in First out Basis (FIFO).
- ii. Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- iii. Scraps / rejected materials are valued at estimated net realisable value. Net realisable 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. The comparison of cost and net realisable value is made on an item by item basis.

**e. Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

**f. Employee benefits****i. Short-term employee benefits**

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

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Company providing retirement benefit in the form of provident fund is a defined contribution scheme. The contributions payable to the provident fund are recognised as expenses, when an employee renders the related services. The Company has no obligation, other than the contribution payable to the funds.

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company accounts for gratuity liability of its employees on the basis of actuarial valuation carried out at the year end by an independent actuary.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the

discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv. Other long-term employee benefits**

Company treats accumulated leave, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

**g. Revenue**

**i. Sale of goods**

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

**h. Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

Interest income or expense is recognised using the effective interest method.

**i. Government grants**

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis.

**j. Leases**

**i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

**ii. Assets held under leases**

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's balance sheet.

**iii. Lease payments**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**k. Income-tax**

Income Tax expenses comprise current and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for the temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**iii. MAT credit**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified year. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**i. Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**m. Provision, contingent liabilities and contingent assets**

A provision is recognised if as a result of a past event the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Expected future operating losses are not provided for.

**Contingencies**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

**Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

**n. Earnings per share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

**o. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

**p. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible (including interest thereon) to known amounts of cash and which are subject to an insignificant risk of changes in value.

**q. Assets held for sale**

Assets are classified as assets held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

**r. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## NOTES FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2024

### 4 Property Plant and Equipments (Rs. in Lakhs)

Particulars	Freehold land	Electrical Installation	Buildings	Plant and equipment	Furniture & Fittings	Vehicles	Computer	Air Conditioner	Office Equipments	ETP, FIRE & Pollution	Total
<b>At Cost</b>											
Balance at April 1, 2022	155.26	752.67	1,984.60	9,990.55	362.78	318.50	68.78	34.29	27.80	185.22	13,880.45
Additions	-	25.61	56.52	531.78	79.17	54.22	20.68	6.93	4.96	-	779.87
Disposals / Adjustment	-	-	-	-	-	24.74	-	-	-	-	24.74
Balance at Mar., 31, 2023	155.26	778.28	2,041.12	10,522.33	441.95	347.99	89.46	41.22	32.76	185.22	14,635.58
<b>Property Plant and Equipments-Accumulated Depreciation</b>											
<b>Accumulated depreciation and impairment</b>											
Balance at April 1, 2022	-	375.73	545.70	4,481.95	166.92	210.04	47.65	20.61	7.57	16.45	5,872.61
Depreciation expense	-	46.06	152.20	756.94	60.27	43.17	19.04	4.51	5.57	10.46	1,098.21
Eliminated on disposals of assets	-	-	-	-	-	21.61	-	-	-	-	21.61
Balance at Mar., 31, 2023	-	421.79	697.90	5,238.89	227.19	231.60	66.69	25.12	13.14	26.91	6,949.21
<b>Property Plant and Equipments-Net Block</b>											
Balance at April 1, 2022	155.26	376.94	1,438.90	5,508.60	195.86	108.46	21.13	13.68	20.24	168.77	8,007.84
Balance at March, 31, 2023	155.26	356.50	1,343.22	5,283.44	214.76	116.38	22.78	16.09	19.62	158.30	7,686.38
<b>Particulars</b>											
Freehold land		Electrical Installation	Buildings	Plant and equipment	Furniture & Fittings	Vehicles	Computer	Air Conditioner	Office Equipments	ETP, FIRE & Pollution	Total
<b>At Cost</b>											
Balance at April 1, 2023	155.26	778.28	2,041.12	10,522.33	441.95	347.98	89.46	41.22	32.76	185.22	14,635.58
Additions	-	4.87	89.20	292.56	19.77	17.02	4.08	4.36	3.36	-	495.23
Disposals / Adjustment	-	31.80	-	24.32	-	5.34	-	-	-	-	61.46
Balance at March, 2024	155.26	751.35	2,130.32	10,790.57	461.72	359.66	93.54	45.58	36.12	185.22	15,009.35
<b>Property Plant and Equipments-Accumulated Depreciation</b>											
<b>Accumulated depreciation and impairment</b>											
Balance at April 1, 2023	-	421.79	697.90	5,238.89	227.19	231.60	66.69	25.12	13.14	26.91	6,949.21
Depreciation expense	-	50.80	142.76	543.11	58.94	42.26	13.78	4.51	5.70	11.76	873.63
Eliminated on disposals of assets	-	30.21	-	4.45	-	4.92	-	-	-	-	39.58
Balance at March, 2024	-	442.38	840.66	5,777.55	286.13	268.94	80.47	29.63	18.84	38.67	7,783.26
<b>Property Plant and Equipments-Net Block</b>											
Balance at April 1, 2023	155.26	356.50	1,343.22	5,283.44	214.76	116.38	22.78	16.09	19.62	158.30	7,686.38
Balance at March, 2024	155.26	308.97	1,289.66	5,013.02	175.59	90.72	13.08	15.95	17.28	146.55	7,226.09



**NOTES FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**
**5 Capital work in progress**
**(Rs. in Lakhs)**

Particulars	Building	Pre-operative expense	Other Plant & Equipments	Total
<b>Balance at April 1, 2022</b>	25.69	-	-	25.69
Additions	-	-	-	-
Adjustments/capitalised during the year	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>25.69</b>	<b>-</b>	<b>-</b>	<b>25.69</b>

**Capital work in progress**

Particulars	Building	Pre-operative expense	Other Plant & Equipments	Total
<b>Balance at April 1, 2023</b>	<b>25.69</b>	-	-	<b>25.69</b>
Additions	<b>16.66</b>	-	-	<b>16.66</b>
Adjustments/capitalised during the year	<b>(42.35)</b>	-	-	<b>(42.35)</b>
Effect of foreign exchange differences	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**6 Investment**

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments in Subsidiary Company (Refer Note 6A)	1,276.00	147.00
Other Investments (Refer Note 6B)	238.92	195.33
<b>Total Investments</b>	<b>1,514.92</b>	<b>342.33</b>

**6A Investment in equity instrument in subsidiary company (un-coated fully paidup)**

Particulars	As at March 31, 2024	As at March 31, 2023
12759994 (P.Y.1470000) equity shares of Bagla Technopack Pvt Ltd, Face Value @ Rs 10 each (11289994 (P.Y.1370000) Number of shares were subscribed and allotted during the year ) Company become wholly owned subsidiary w.e.f. 03/01/2024 on allotment of shares.	1,276.00	147.00
<b>Total Investment in Associate</b>	<b>1,276.00</b>	<b>147.00</b>

**6B Investments in Equity Instruments in Other Entities (Unquoted-fully paid up)**

Particulars	As at March 31, 2024	As at March 31, 2023
49000 (P.Y.49000) equity shares of Bagla wellness Pvt. Ltd, Face Value @ Rs 10 each.	18.39	18.39
456900 (P.Y.456900) equity shares of Bagla Polifilms Ltd, Face Value @ Rs 10 each.	114.29	114.29
1062500 (P.Y. 626620) equity shares of Bagla Tecvision Pvt Ltd, Face Value @ Rs 10 each (435900 (P.Y. 379000) Number of shares were subscribed and allotted during the year)	106.25	62.66
10000 (P.Y. 10000) equity shares of Banaras state bank Ltd.	1.00	1.00
<b>Total Investments in Other Equity instruments</b>	<b>239.93</b>	<b>196.34</b>
Less: Provision for diminution in value	(1.00)	(1.00)
<b>Net Investment in Equity Instruments</b>	<b>238.93</b>	<b>196.34</b>
<b>Aggregate carrying value of unquoted investments</b>	<b>238.93</b>	<b>196.34</b>
<b>TOTAL INVESTMENTS</b>	<b>1,514.93</b>	<b>343.34</b>

**7 Other Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits * * Security deposits for more than 12 months * Security deposits includes Rs 90,00,000(PY37,00,000) due from Related Party, for operating leases.	261.42	204.38
<b>TOTAL</b>	<b>261.42</b>	<b>204.38</b>

**8 Other non-Current Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Advances</b>		
Advance for Capital goods	149.73	84.02
<b>Others</b>		
Assets held for sale	-	23.66
<b>TOTAL</b>	<b>149.73</b>	<b>107.67</b>

**9 Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	1,267.90	2,381.09
Raw Materials-in Transit	461.93	503.67
Work in progress	973.13	986.39
Finished Goods	659.78	950.92
Stores and spares, fuel and packing materials	364.26	284.39
Scrap	27.31	15.32
<b>TOTAL</b>	<b>3,754.31</b>	<b>5,121.77</b>

**10 Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Unsecured, considered good	3,988.05	2,591.33
(b) Credit Impaired	5.80	-
Provision for Credit Impaired	(5.80)	-
<b>TOTAL</b>	<b>3,988.05</b>	<b>2,591.33</b>

**Note:**

- No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.
- Trade receivables are generally non interest bearing
- Trade receivable includes due from related parties Rs 2,11,41,871/- (Previous year Rs.28,69,502/-)
- Ageing required as per Schedule III, to the companies act are furnished in note No. 37(xxii)

**11 Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with Scheduled banks</b>		
On Current Accounts	19.69	47.20
On Term Deposits Account @+	203.70	68.15
<b>Cash in hand</b>		
As per Books and certified	2.52	0.10
<b>TOTAL</b>	<b>225.91</b>	<b>115.45</b>

@ Pledged with banks as margin for issuing letters of Guarantee

+ Maturity period of deposit are less than 12 months

**12 Bank Balance other than Cash and Cash Equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with Bank (Dividend account)</b>	-	3.95
<b>TOTAL</b>	<b>-</b>	<b>3.95</b>

**13 Other Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued-Fixed Deposit with Banks	7.39	0.54
Insurance Claim Receivable	-	7.35
<b>TOTAL</b>	<b>7.39</b>	<b>7.89</b>

**14 Other current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a) Advance other than capital advances</b>		
i) Advances to vendor for Supplies and services	275.07	103.53
ii) Advances to employees	29.78	17.26
iii) Others*	297.00	-
<b>b) Advances to related Parties</b>	15.26	100.00
<b>c) Others Advances</b>		
i) Balances with Goods and Service Tax Authorities	108.03	293.03
ii) Export Incentives receivable	11.99	0.14
iii) Income Tax Refundable	8.96	21.71
iv) Prepaid expenses	75.72	59.53
v) Other Receivables	1.45	2.54
<b>d) Current Income Tax ( Net of Provision)</b>	<b>61.55</b>	<b>-</b>
<b>TOTAL</b>	<b>884.81</b>	<b>597.74</b>

\* Advances given for capital goods but contract cancelled subsequently

**15 Equity Share Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Capital</b>		
7,000,000 equity shares of 10 each	700.00	700.00
<b>Issued, Subscribed and Paid up</b>		
5,116,300 equity shares of 10 each fully paid up	511.63	511.63
<b>TOTAL</b>	<b>511.63</b>	<b>511.63</b>

## (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	51.16	51.16
Movements		
<b>Balance as at the end of the year</b>	<b>51.16</b>	<b>51.16</b>

## (ii) Rights, preferences and restriction attached to shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders .

## (iii) Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Percentage	No. of Shares	Percentage
1 Mr. Madhusudan Bagla	812,419	15.88%	812,419	15.88%
2 Mrs. Anju Bagla	598,630	11.70 %	598,630	11.70%
3 Mr. Dhruv Bagla	314,580	6.15%	314,580	6.15%
4 Mr. Nakul Bagla	375,100	7.33%	372,100	7.27%
5 Mr. M.S.Bagla - Karta ( M.S.Bagla - HUF )	269,250	5.26%	269,250	5.26%

## (iv) a. Shareholding of Promoters (Equity Shares) as on 31/03/2024

S. No.	Name of Promoter(s)	No. of Shares	% Total Shares
1	Mr. Madhusudan Bagla	812,419	15.88%
2	Mrs. Anju Bagla	598,630	11.70%
3	Mr. Dhruv Bagla	314,580	6.15%
4	Mr. Nakul Bagla	375,100	7.33%
5	Mr. M.S.Bagla - Karta ( M.S.Bagla - HUF )	269,250	5.26%
6	Mrs Sidhika Goenka	26,350	0.52%

## (iv) b. Shareholding of Promoters (Equity Shares) as on 31/03/2023

S. No.	Name of Promoter(s)	No. of Shares	% Total Shares
1	Mr. Madhusudan Bagla	812,419	15.88%
2	Mrs. Anju Bagla	598,630	11.70%
3	Mr. Dhruv Bagla	314,580	6.15%
4	Mr. Nakul Bagla	372,100	7.27%
5	Mr. M.S.Bagla - Karta ( M.S.Bagla - HUF )	269,250	5.26%
6	Mrs Sidhika Goenka	26,350	0.52%

## 16 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve #	30.00	30.00
Security Premium account	212.60	212.60
Investment allowance utilization reserve ##	25.00	25.00
Retained earnings	6,808.79	5,192.91
# For Capital Subsidy received in earlier years		
## Since 1992-93		
<b>TOTAL</b>	<b>7,076.39</b>	<b>5,460.50</b>

## Capital Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	30.00	30.00
Changes during the year		
<b>Balance at end of the year</b>	<b>30.00</b>	<b>30.00</b>

## Security Premium account

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	212.60	212.60
Changes during the year		
<b>Balance at end of the year</b>	<b>212.60</b>	<b>212.60</b>

## Investment allowance utilization reserve

Particulars	As at March 31, 2024	As at March 31, 2023.
Balance at beginning of the year	25.00	25.00
Changes during the year		
<b>Balance at end of the year</b>	<b>25.00</b>	<b>25.00</b>

## Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	5,192.90	4,704.95
Profit after tax for the year	1,640.60	486.13
Income tax for earlier years	(24.72)	1.83
Other Comprehensive Income	-	-
<b>Balance at end of the year</b>	<b>6,808.78</b>	<b>5,192.91</b>

## 17 Long term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loans from banks/ Auto Loans		
State Bank Of India ( Refer Note A)	1.19	85.58
Indian Bank (Refer Note-B)	850.00	1,299.99
ICICI Bank (Refer Note - C)	-	3.01
ICICI Bank (Refer Note - C)	2.21	5.79
Indian Bank (Refer Note - C)	9.87	14.35
<b>Working Capital Term Loan (GECL-COVID-19 Loan )</b>		
State Bank of India ( Refer foot Note A(h))	-	278.22
IDBI Bank - (Refer Note-D)	-	198.17
<b>Working Capital Term Loan (COVID Emergency Credit Line)</b>		
Indian Bank (Refer foot Note-B(f))	-	0.00
	<b>863.26</b>	<b>1,885.11</b>
<b>Unsecured</b>		
<b>From Related Party ( Interest Free)</b>		
From Directors	-	29.00
From Body Corporate	50.00	-
	<b>50.00</b>	<b>29.00</b>
<b>TOTAL</b>	<b>913.26</b>	<b>1,914.11</b>

**A Term Loans from State Bank of India is secured by way of :**

- First pari-passu charge on entire fixed assets of the company situated at Mundra, Kutch, Gujrat along with Indian Bank - for Term Loan.
- First pari-passu charge on factory Land and Building situated at Survey No. 380/PAIKI/1 Gandhi Dham Road, Village, Bhadreshwar, Tehsil, Mundra, Kutch, Gujrat along with Indian Bank - for Term Loan.
- First charge over Factory Land and Building at Khasra No.9/0-17-0 and Khasra no.10/0-16-0,11/10-17-0,12/0-19-0,8/0-4-0,14/1 M/2-9-10, situated at village Acheja, Tehsil Dadri Dist. Ghaziabad, Gautam Budh Nagar(Uttar Pradesh) admeasuring total area 3 bigha,13 biswa, 6 sahi, 2/3 Biswansi.
- First Charge on entire fixed assets Located at Dadri, district Ghaziabad Plant.
- Second pari pasu charge entire current assets of the Company, (both present and future),along with other term landers Indian Bank.
- Personal guarantee of Mr. Madhusudan Bagla, the Managing Director of the Company.
- The Term Loan is repayable in 24 Quarterly instalments, interest is payable on monthly basis.
- The COVID Emergency Credit Line (CCECL) and The Emergency Credit Line (GECL) Loans are completely been paid off during the Year.

**B** Term Loans from Indian Bank is secured by way of :

- a) First pari-passu charge on entire movable and immovable fixed assets of the company (including Land and Building) of the manufacturing unit at Survey No. 380/PAIKA /1 Gandhi Dham Road, Village, Bhadreshwar, Tehsil, Mundra, Kutch, Gujrat along with State Bank of India.
- b) First charge on the entire movable fixed assets, (including Land admeasuring 1800 Sqm and Building and Structure thereon and all Plant and Machinery of the unit at Plot No. 15, KIE Industrial Estate, Village Mundyaki, Pargana Mangalore, Tehsil, Roorkee, Dist. Haridwar, both present & future ton exclusive basis.
- c) Second pari pasu charge entire movable current assets of the company, both present and future, to be shared with State Bank of India i.e. other term lender.
- d) Second Pari passu charge along with Working Capital Lenders on the entire moveable and immovable fixed assets of the Unit (including Land admeasuring 3 Bigha, 13 Biswa and 6 sahi,2/3 bushwansi, and building and structure thereon and all plant and machinery) but excluding the land area on 0.0253 Hectares covered under separate sale deed on which negative lien is stipulated) situated at village Acheja, Tehsil Dadri Dist. Ghaziabad, Gautam Budh Nagar(Uttar Pradesh) along with State Bank of India.
- e) Personal guarantee of the Managing Director Mr. Madhusudan Bagla Managing Director of the Company.
- f) The Term Loan of is repayable in 24 Quarterly instalments, starting from June 2021, interest is payable monthly.
- g) The COVID Emergency Credit Line (CCECL) and The Emergency Credit Line (GECL) Loans are completely been paid off during the Year.

**C** Loan from ICICI Bank, Indian Bank & State Bank of India are secured by way of hypothecation of the vehicle financed by them.**D** Term Loans from IDBI Bank is secured by way of :

- a) Extension of Charges on Second pari-pasu basis on primary and collateral securities charged for other facilities.
- b) The Emergency Credit Line (CCECL) Term Loan of Rs. 1.61 Crores sanctioned in 2020 is repayable in 36 Monthly instalments, starting from March, 2022, interest is payable on monthly basis full paid by the company.
- c) The Emergency Credit Line (CCECL) Term Loan of Rs. 1.53 Crores sanctioned in May 2022 is repayable in 48 Monthly instalments, starting from April,2024, interest is payable on monthly basis full paid by the company

**18 Provisions- Non Current**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Leave Encashment	6.91	9.80
Gratuity	160.56	152.07
<b>TOTAL</b>	<b>167.47</b>	<b>161.87</b>



**19 Deferred Tax Liabilities (Net of Assets)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liabilities -On timing difference</b>		
On accounting of Depreciation as per Income tax Rules and as per Companies Act.	319.13	399.54
On Fair Value of Investments		
<b>Less:</b>	<b>319.13</b>	<b>399.54</b>
<b>Deferred Tax Assets-On timing difference</b>		
On accounting of Doubtful debts	1.46	-
On accounting of Provision for Bonus, Gratuity and Compensated absence	65.54	59.24
<b>TOTAL</b>	<b>252.13</b>	<b>340.30</b>

**20 Short term borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term loans / Auto Loan from banks '(Payable within next 12 Months) (Refer note no 17 "Long term borrowing")</b>		
State Bank of India	75.33	435.00
Indian Bank	454.49	453.04
ICICI Bank- I	3.01	3.75
ICICI Bank- II	3.54	3.25
Yes Bank	-	6.03
<b>Working Capital Term Loan (GECL-COVID-19 Loan )</b>		
State Bank of India	-	18.75
IDBI Bank	-	53.67
<b>Working Capital Term Loan (COVID Emergency Credit Line)</b>		
Indian Bank	-	4.33
	<b>536.37</b>	<b>977.82</b>
<b>Cash Credit Limits (Refer Note- A-B)</b>		
Indian Bank	91.28	-
IDBI Bank	310.79	27.85
State Bank of India	2,526.95	2,405.47
HDFC Bank	1,661.99	1,315.11
	<b>4,591.01</b>	<b>3,748.43</b>
<b>TOTAL</b>	<b>5,127.38</b>	<b>4,726.25</b>

- A** Working Capital Loans from State bank of India, Indian bank, IDBI bank and HDFC Bank is secured by way of First pari passu charge on the entire current assets of all three units of the company both present & future.
- B** Working Capital Loans from State bank of India, Indian bank, IDBI bank and HDFC Bank is secured by way of second pari passu charge on the entire movable and immovable fixed assets both present & future of the company's unit located Unit located at Roorkee (Haridwar), Dadri (Uttar Pradesh) and Kutch (Gujarat), including land and building except land admeasuring 0.253 hectares [art of the existing factory land.

**21 Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial liabilities carried at amortized cost</b>		
For Goods	1,936.30	2,030.46
For Services	538.00	463.18
Note : Ageing required as per Schedule III, to the companies act are furnished in note No. 37(xxiii)		
<b>TOTAL</b>	<b>2,474.30</b>	<b>2,493.65</b>
Total outstanding dues of micro enterprises and small enterprises (refer Note No. 37(xxiii))	649.20	495.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,825.10	1,998.05
<b>TOTAL</b>	<b>2,474.30</b>	<b>2,493.64</b>

**22 Other financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
i) Interest accrued but not due	14.46	41.37
ii) Unclaimed dividend*	-	3.95
iii) Payable for capital goods	0.46	66.58
iv) Payable for employees	109.81	98.52
<b>TOTAL</b>	<b>124.73</b>	<b>210.42</b>

\* The Amounts reflects the position as at year end. No amount is due to be transferred The actual amount to be transferred to Investor Education and Protection Fund as at balance sheet date.

**23 Other Current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance received from Customers	1,115.71	759.16
Statutory Liabilities	55.57	73.91
Other liability	143.30	111.31
<b>TOTAL</b>	<b>1,314.58</b>	<b>944.38</b>

**24 Provisions -Current**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee Benefits</b>		
Provision for Leave encashment	1.06	0.72
Provision for Gratuity	49.69	40.09
<b>TOTAL</b>	<b>50.75</b>	<b>40.81</b>

**25 Current Tax Liabilities (Net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current Tax</b>		
Provision for Income Tax	-	187.00
Less: Tax paid	-	186.35
<b>TOTAL</b>	-	<b>0.65</b>

**26 Revenue From Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Sale of products</b>		
Domestic Sale	10,056.21	9,995.32
Export Sale	19,985.46	21,921.72
Trading Goods Sales	233.48	-
Scrap Sale	138.90	235.99
	<b>30,414.05</b>	<b>32,153.03</b>
<b>B. Sale of services</b>		
Job Work	2.36	0.84
<b>Total</b>	<b>30,416.41</b>	<b>32,153.87</b>

**27 Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
<b>a) Interest income</b>		
Term Deposits	5.33	5.97
Security Deposits	4.38	3.82
Interest on advances	15.38	-
	<b>25.09</b>	<b>9.79</b>
<b>b) Other gains and losses</b>		
Export Incentives	49.64	5.91
Exchange rate fluctuations (Net)	200.46	319.33
Excess Provision for Bonus written back	0.54	4.18
Gain on Disposal of property, plant and equipment	9.83	6.95
Sundry Balances Written off (Net)	9.83	-
Other Receipts	4.95	2.93
	<b>275.25</b>	<b>339.30</b>
<b>Total</b>	<b>300.34</b>	<b>349.09</b>

**28 Cost of materials consumed\***

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stocks	2,381.09	1,932.73
Add: Purchases	17,460.17	22,483.94
Less: Closing Stocks	(1,267.90)	(2,381.09)
<b>Total</b>	<b>18,573.36</b>	<b>22,035.58</b>

\* The Consumption amounts shown above have been ascertained on the basis of materials consumed and after considering excess/shortages ascertained on physical verifications.

**29 Changes in inventories of finished goods and work-in progress\***

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening Stock</b>		
Work in Process	986.39	678.52
Finished Goods	950.92	817.92
Scrap	15.32	80.21
	<b>1,952.63</b>	<b>1,576.65</b>
<b>Closing Stock</b>		
Work in Process	973.13	986.39
Finished Goods	659.78	950.92
Scrap	27.31	15.32
	<b>1,660.22</b>	<b>1,952.63</b>
<b>Change in inventory</b>	<b>292.41</b>	<b>(375.98)</b>

\* Closing inventory is net off scrapped /reworked items and shortages/excesses.

**30 Employee Benefits Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
Salaries, Wages and other Allowances	1,695.86	1,676.11
Contribution to Provident and other Allied Funds	64.42	63.19
Director's Remuneration	143.02	123.28
Staff Welfare and Benefits	188.86	210.57
Gratuity	36.07	22.18
<b>Total</b>	<b>2,128.23</b>	<b>2,095.33</b>

**31 Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
Interest to Banks on Cash/Packing credits	211.02	194.92
Interest to Bank on Term Loan	209.50	349.53
Interest to Others	19.54	12.05
Bank Commission and Charges	86.42	123.39
<b>Total</b>	<b>526.48</b>	<b>679.89</b>

**32 Depreciation and amortization Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
Deprecation ( Note. 4 Property, Plant and Equipment)	873.63	1,098.21
<b>Total</b>	<b>873.63</b>	<b>1,098.21</b>

**33 Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
<b>MANUFACTURING EXPENSES</b>		
Power & Fuel Consumed	1,162.44	1,278.88
Store, Spares & Tools Consumed	232.80	222.70
Packing Expenses	1,397.46	1,449.30
Carriage Inward	102.29	85.55
<b>Repairs and Maintenance:</b>		
Building and Shed	78.21	49.84
Plant and Machinery	270.09	246.38
Research & Development charges	10.23	12.57
	<b>3,253.52</b>	<b>3,345.22</b>
<b>ADMINISTRATIVE AND OTHER OVERHEADS</b>		
Rent, Rates and Taxes	133.38	124.68
Printing and Stationery	24.70	20.88
Traveling and Conveyance	242.08	165.70
Vehicle Running Maintenance	63.97	74.01
Postage & Telephone charges	66.05	46.27
Electricity and Water Overheads	19.38	18.73
Data processing Expenses	29.88	31.11
Legal and Professional Charges	115.05	124.75
Advertisement Expenses	8.74	5.52

**33 Other Expenses (Contd.)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023.
<b>Auditor's Remuneration :</b>		
For Audit Fees	3.60	2.88
Fees & Subscription	29.96	35.79
Insurance Charges	35.73	56.66
General Expenses	151.40	144.81
Unrealised Claim Written off	22.60	49.65
Bad-Debts Written Off	76.01	-
Doubtful Debts	5.80	-
Sundry Balances Written off ( Net )	-	4.23
Expenses on Corporate Social Responsibility	34.35	40.30
Previous year adjustment (Net)	0.48	2.10
	<b>1,063.16</b>	<b>948.07</b>
<b>SALES AND DISTRIBUTION OVERHEADS</b>		
Freight and Carriage Outward	1,096.90	1,597.89
Discount, Rebates and Claims	21.46	18.47
Brokerage & Commission	371.65	395.33
Business Promotion Expenses	80.19	58.15
Statutory Demands, Sales Tax , VAT,GST etc.,	45.62	17.38
Exhibition & Conference Expenses	41.15	6.84
	<b>1,656.97</b>	<b>2,094.06</b>
<b>Total</b>	<b>5,973.65</b>	<b>6,387.35</b>

**34 Government Grants**

The Company has applied the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance.

**35 Contingent liabilities not provided for in respect of:**

- (a) (i) Bank Guarantees given by the Company Rs. 49.73 Lacs (Previous year Rs.59.73 Lacs)
- (ii) Corporate guarantee given to HDFC Bank on behalf of its wholly owned subsidiary i.e. Bagla Technopack Pvt. Ltd.
- (b) Foreign letter of credit opened with IDBI Bank, Indian Bank State Bank of India & HDFC Bank for import of Raw material etc. worth Rs. 126.73 Lacs (Previous year Rs. 989.91 Lacs) and domestic letter of credit for procurement of raw material from domestic supplier Rs. Nil (Previous year Rs. NIL)
- (c) Central Sales tax payable for Assessment year 2013-14 in respect of its Roorkee unit, Nil (Previous year 6.65 Lacs). The Appeal against the same has been settled in favour of the Company during the year.

## (d) Income Tax Penalty Demand pending in Appeals / rectification:

Forum at which pending	Assessment year	Amount	Order Under Section	Particulars
Commissioner of Income Tax Appeals (NFAC)	2014-15	50.47	153-C of Income Tax,1961	Appeal filed against addition made
Asst. Commissioner of Income Tax Commissioner of Income Tax Appeals (NFAC)	2014-15	4.72	153-C of Income Tax,1961	Rectification for Credit for Tax Already paid
	2015-16	19.15	153-C of Income Tax,1961	Appeal filed against addition made
Asst. Commissioner of Income Tax	2016-17	4.72	153-C of Income Tax,1961	Rectification for Credit for Tax Already paid
Asst. Commissioner of Income Tax	2017-18	3.92	153-C of Income Tax,1961	Rectification for Credit for Tax Already paid
Commissioner of Income Tax Appeals (NFAC)	2018-19	15.73	270-A of Income Tax ,1961	Appeal filed against Penalty
Asst. Commissioner of Income Tax	2019-20	41.82	153-C of Income Tax,1961	Rectification for Error in calculation

**36** Estimated Amount of capital commitment for contracts remaining to be executed Rs 3.58 Crore (Previous year 2.21 Crore) against which advances are given Rs 1.50 Crore (previous year Rs.0.84 Crore ).

**37 Disclosures of the Additional Regulatory Information to the extent applicable to the company are made in compliance with the amendments made in Schedule III to the Companies Act 2013 vide Notification No. GSR 207(E) dated 24th March, 2021, are given as under:**

- (i) The Title Deeds of the Property owned by the Company are held by the Company in its own Name, and the documents thereof are pledged with the State Bank of India.
- (ii) The Company does not hold any property as Investment as any time during the year
- (iii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets)
- (iv) The Company does not have any intangible assets at any time during the year
- (v) The company has not granted Loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) at any time during the year, except Nil (PY. Rs. 1 crore) shown in Note 37(xxvi) below which was recovered in due course.
- (vi) The Company does not own any Capital Work in Progress (CWIP) at the close of the financial year.
- (vii) The Company does not have any Intangible assets under development at any time during the year
- (viii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ix) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from State Bank of India as lead banker in the consortium where IDBI , HDFC and Indian Bank are members. on the basis of returns or statements filed by the Company with banks are in agreement with the books of account of the Company except for statements filed for month ended 30 June 2023, 30 September, 2023 ,31 December 2023 and 31 March 2024 where differences were noted between the amount as per books of account for respective months and amount as reported in the quarterly statements.

The difference were in case of Debtors amounting to Rs (-)12 Lakhs (amount reported – Rs 2,289 Lakhs Vs amount per books of account – Rs 2,277), Rs (-)132 Lakhs (amount reported – Rs 2,642 Lakhs Vs amount per books of account – Rs 2,511 Lakhs), Rs 159 Lakhs (amount reported – Rs 2,650 Lakhs Vs amount as per books of account – Rs 2,809 Lakhs) and Rs 3 Lakhs (amount reported – Rs 2,876 Lakhs Vs amount as per books of account – Rs 2,878 Lakhs) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024.

Further, Inventory had a difference of Rs 8 Lakhs (amount reported to Bank-Rs 4,099 Lakhs Vs amount per books of account- Rs 4,108), Rs 47 Lakhs (amount reported to Bank – Rs 4,280 Lakhs Vs amount per books of account – Rs 4,327 Lakhs), Rs (-) 118 Lakhs (amount reported to Bank – Rs 4,018 Lakhs Vs amount per books of account – Rs 3,900 Lakhs) and Rs 0 Lakhs (amount reported to Bank – Rs3,293 Lakhs Vs amount per books of account – Rs 3,293 Lakhs ( Excluding “Raw Material in Transit” shown in Note no 9.)) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024.

Further, Creditors had a difference of Rs 14 Lakhs (amount reported to Rs. 1,471 Lakhs Vs amount per books of account- Rs 1,485), Rs (-) 32 Lakhs ( amount reported – Rs 2,225 Lakhs Vs amount per books of account – Rs 2,193 Lakhs) Rs. (-)202 (amount reported – Rs 1904Lakhs Vs amount per books of account – Rs 1701 Lakhs), Rs.6 Lakhs (amount reported – Rs 1113 Lakhs Vs amount per books of account – Rs 1119 Lakhs) ( Excluding “Raw Material in Transit” creditors shown in Note no 9.) ( Lakhs or quarter ended 30 June 2023 and 30th September 2023 and 31st December 2023 and 31st March 2024.

Further that, Turnover had a difference of Rs 298 Lakhs (amount reported to Bank-Rs 8511 Lakhs Vs amount per books of account- Rs 8213 Lakhs, Rs.452 Lakhs (amount reported to Bank – Rs 8645 Lakhs Vs amount per books of account – Rs 8193 Lakhs), Rs 371 Lakhs (amount reported to Bank– Rs 7487 Lakhs Vs amount per books of account – Rs 7,116 Lakhs) and Rs 356 Lakhs (amount reported to Bank – Rs 7551 Lakhs Vs amount per books of account – Rs 7195 Lakhs) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024 the difference is due to Inter-unit sales not excluded while submitted it to the Bank.

The overall impact on Working capital based on figures as per books of account as compared to the reported figures is, a Decrease in working capital by Rs. (-) 47 lakhs and Rs. (-)8 Lakhs as of 30th June and 30th September 2023 and an increase in working capital by Rs 54 Lakhs and Rs. 345 Lakhs and 31st December and 31st March 2024 and respectively.

- (x) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (xi) The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (xii) There are no charges or satisfaction of Charges yet to be registered with Registrar of Companies beyond the statutory period.
- (xiii) The Company have a subsidiary , hence the provision with regard to compliance with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are applicable to the company.
- (xiv) During the year under report no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xv) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (xvi) The company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xvii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (xviii) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (xix) The Company has not received any Government Grant or Subsidy during the year.



xx) Details Corporate Social Responsibility (CSR)	FY -2023-24	FY -2022-23
a) amount required to be spent during the year,	25.02 Lakhs	40.30 Lakhs
b) amount of expenditure incurred,	31.83 Lakhs	40.30 Lakhs
c) excess /(short fall ) in amount spent at the end of the year	06.81 Lakhs- Excess	Nil
d) total of previous years shortfall,	Nil	Nil
e) amount available for set off in succeeding financial year	06.81 Lakhs- Excess	NA
f) Nature of CSR activities:	Education, skilling, health environment sustainability, Conservation of Water	Meditation Centre and Education
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	07.80 Lakhs M/s Bagla Foundation	28.50Lakhs M/s Bagla Foundation
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.		

## xxi) Ratio's

Name of the Ratio	Formula	2023-24	2022-23	% change	Reason for change
(a) Current Ratio	Current Assets/Current Liabilities	0.97	1.00	(0.03)	No Significant Change
(b) Debt-Equity Ratio	Total debt/Shareholder's Equity	0.80	1.11	(0.32)	Due to increase in retained earnings
(c) Debt Service Coverage Ratio	Net Operating Income/ Debt Service	1.46	0.92	0.53	Due to increase in retained earnings
(d) Return on Equity Ratio	Net Income/ Shareholder's Equity	21.62	8.14	13.48	Due to increase in earnings
(e) Inventory turnover ratio	COGS/Average Inventory	4.81	4.99	(0.17)	No Significant Change
(f) Trade Receivables turnover ratio	Net credit Sales/ Ave. Trade Receivable	9.25	8.78	0.47	Due to better collection
(g) Trade payables turnover ratio	Net credit purchase/ Ave. Trade payable	11.44	13.67	(2.23)	Due to better payment
(h) Net capital turnover ratio	Net Sales/Avg Working Capital	(290.63)	102.54	(393.16)	Increase in Current Liabilities
(i) Net profit ratio	Net profit/Total Revenue	5.39	1.51	3.88	Due to increase Turnover with Increase margin
(j) Return on Capital employed	EBIT/Capital Employed	29.43	13.58	15.85	Due to increase in earnings
(k) Return on investment	Income earn on Investment/ Value of the Investment	NA	NA	NA	NA

## xxii) Trade Receivable Ageing Schedule

## Current Reporting Period

Particulars	> 6 Months	< 6 Months > 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	3,974.40	12.82	0.82	-	5.80	3,993.85
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
	3,974.40	12.82	0.82	-	5.80	3,993.85
Less: Allowance for Doubtful Trade Receivable	-	-	-	-	(5.80)	-5.80
<b>Total Receivables</b>	<b>3,974.40</b>	<b>12.82</b>	<b>0.82</b>	-	-	<b>3,988.05</b>

## Previous Reporting Period

Particulars	> 6 Months	< 6 Months > 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	2,494.97	16.44	79.85	0.07	-	2,591.33
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
	2,494.97	16.44	79.85	0.07	-	2,591.33
Less: Allowance for Doubtful Trade Receivable	-	-	-	-	-	-
<b>Total Receivables</b>	<b>2,494.97</b>	<b>16.44</b>	<b>79.85</b>	<b>0.07</b>	-	<b>2,591.33</b>

Note: Trade receivable includes due from related party M/s Bagla LLC , USA Rs.2,11,41,870/ ( Previous year Rs. 28,69,502)

## xxiii) Trade payables Ageing Schedule

## Current Reporting Period

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	649.09	0.11	-	-	-	649.20
ii) Others	1,562.93	1.72	4.65	241.88	13.92	1,825.11
iii) Disputed dues-MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
	<b>2,212.02</b>	<b>1.84</b>	<b>4.65</b>	<b>241.88</b>	<b>13.92</b>	<b>2,474.30</b>

## Previous Reporting Period

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	495.30	0.00	0.21	-	0.08	495.59
ii) Others	1,956.68	16.03	9.16	3.51	12.68	1,998.05
iii) Disputed dues-MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
	<b>2,451.97</b>	<b>16.03</b>	<b>9.38</b>	<b>3.51</b>	<b>12.76</b>	<b>2,493.65</b>

## xxiv) Disclosure of Loans or Advances granted to Promoters, Directors, KMP's and the related Parties

Type of Borrower	Amount of Loan or Advance Current year	% to the total Loans and Advances	Amount of Loan or Advance Previous year	% to the total Loans and Advances
Promoter	NIL	NA	NIL	NA
Directors	NIL	NA	NIL	NA
KMPs	NIL	NA	NIL	NA
Related Parties	NIL	NA	10,000,000	100%

- 38 Balance with Indian Bank- Ahmadabad Rs.15,150 having no transactions during the year is subject to Confirmation.
- 39 Accrued benefits of duty free imports available to the company in form of transferable import licenses for completed export obligations, which are utilized / availed for own imports in subsequent financial year, have not been accounted for as the same has no impact on financial statements of the company.
- 40 In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and advances including amount recoverable from Income Tax, Goods and Service tax , Central Excise, Service Tax, VAT and deferred credit from suppliers all are in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet, all these debit/credit balances are subject to confirmations and adjustments, if any. The management is hopeful of recovering the debit balances, which are outstanding since a long.
- 41 The Roorkee Unit of Company has been registered under the Central Capital Subsidy Scheme 2003. The Company has received Capital Subsidy amounting to Rs.30.00 lacs during 2014-15 under the said scheme credited to capital reserves.

**42 Earnings per share (EPS):**

Particulars	2023-24	2022-23
Profit after Tax (Rs. in Lacs)	1,640.60	486.15
Average number of Equity Shares (Face Value of Rs.10)	51.16	51.16
Basic and Diluted EPS (in Rupees per Share)	32.07	9.50

43 There are no separately reportable segments in terms of IND AS-108.

44 Amount paid to Directors as remuneration:

**A. Managing Director**

Particulars	2023-24	2022-23
No. of Persons	One	One
Salary & Allowances (see note no. 45)	90	72
Perquisites	30	30

**B. Whole Time Director**

Particulars	2023-24	2022-23
No. of Persons	Three	Three
Salary & Allowances (see note no. 45)	21.75	20.58
Contribution to P.F & other funds	0.82	0.82
Perquisites	5.98	4.08

45 Details of Employee Benefits as per IND AS -19 are as follows:

**(A) Defined contribution Plans**

The Company has recognized the following amounts in the profit and loss account:

PARTICULARS	2023-24	2022-23
Contribution to Provident Fund and Family Pension Fund	53.59	52.77
Employers Contribution to Employees State Insurance Scheme	6.24	6.21

**(B) Defined Benefit Plan (unfunded)****(a) A General description of the employees Benefit Plan:**

The Company has obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

(b) Details of defined benefit plan as per Actuarial Valuation are as follows:

I. Components of employer expenses Charged in Defined Benefit Obligation during the year.

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Current Service Cost	19.71	17.55	1.90	4.00
Interest Cost	13.93	13.29	0.76	0.70
Past service cost	-	-	-	-
Actuarial Losses (Gains)	2.42	(9.19)	(2.90)	(3.41)
<b>Total Expenses recognized</b>	<b>36.07</b>	<b>21.65</b>	<b>(0.24)</b>	<b>1.28</b>

II. Net Asset/ (Liability) recognized in the Balance sheet

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Present Value of Defined Benefit Obligation	210	192	8	11
Net Asset / (Liability) recognized in the Balance Sheet	210	192	8	11

III. Charge in Defined Benefit Obligation during the year.

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Present value of defined Benefit obligation at the beginning of year	192.16	183.27	10.52	9.66
Current Service Cost	19.71	17.55	1.90	4.00
Interest Cost	13.93	13.29	0.76	0.70
Past service cost	-	-	-	-
Actuarial Losses/(Gains)	2.42	-9.19	-2.90	-3.41
Benefits paid	(17.98)	(12.75)	(2.31)	(0.42)
Present value of Defined Benefit obligation at the end of year	210.25	192.16	7.97	10.52

IV. Actuarial Assumptions

Particulars	2023-24	2022-23
Discount Rate	7.25%	7.50%
Salary escalation Rate	5.00%	5.00%

V The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factor.

**46 Related Party Disclosure as per IND AS-24 (As certified by the Management):**
**A) List of Related Parties**
**1 Where Control Exist:**

**Subsidiary Company:** One  
Bagla Technopack Private limited (w.e.f 3rd January, 2024)

**Others**

Hindustan Foils Ltd.  
Bagla Wellness Private Limited  
Agarwal Tracom Pvt. Ltd.  
Bagla Polifilms Ltd.  
Bagla Tecvision Private limited

**2 Key Management Personal:**

Mr. Madhusudan Bagla - Managing Director  
Mr. Suresh Sridhar Ajila - Whole time Director  
Mrs. Urmila Goenka - Whole time Director  
Mr. Ashok Kumar Pathak - Whole time Director  
Mr. Nakul M Bagla - CFO  
Mr. Amit Kumar Jha - Company Secretary

**3 Relative of Key Management Personnel (With whom transactions taken place during the year)**

Mr. Lalit Kumar Bagla - Father of Managing Director  
Mrs. Anju Bagla - Wife of Managing Director  
Mr. Dhruv Bagla - Son of Managing Director  
Mrs. Surbhi Bagla - Wife of CFO  
Mrs. Gayathri Ajila - Wife of Whole time Director

**4 Others**

Shree Shree Ishwar Satya Narayanjee & Other Deities  
Bagla Foundation  
Bagla Polifilms LLC

**B). Transactions with Related Parties:**

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
<b>Where Control Exists</b>					
<b>Bagla Polifilms Ltd</b>	Loan Taken	50.00	235.00	(50.00)	-
	Loan Repaid	-	235.00	-	-
	Purchase Goods	484.72	424.61	-	-
	Sales of Goods	363.08	321.44	-	-
	Interest Received	-	3.06	-	-
	Reimbursement	47.38	7.55	-	-
<b>Bagla Tecvision (P) Ltd</b>	Repayment of Loan	45.00	37.90	-	-
	Repayment of Given	45.00	-	-	-
	Purchase of Shares	43.59	20.40	-	-
	Interest Received	0.28	-	-	-
	Reimbursement	0.50	-	-	-

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
Bagla Technopack (P) Ltd	Fee for Corporate Guarantee	48.03	-	48.03	-
	Loan Given	450.00	140.00	-	100.00
	Loan Received back	550.00	40.00	-	-
	Interest Received	13.30	2.88	-	-
	Purchase of Shares	1,129.00	137.00	-	-
	Reimbursement	5.08	-	-	-
Bagla Wellness (P) Ltd.	Reimbursement Paid / Received	-	2.66	-	-
	Loan Given	15.00	-	15.00	-
	Advance Returned	5.54	-	-	-
Agarwal Tracom (P)Ltd	Rent Paid	1.80	1.80	-	-
	Reimbursement Paid / Received	1.71	-	-	-
	Security Deposit	(2.50)	-	26.00	28.50
<b>Key Management Personal</b>					
Mr. Madhusudan Bagla	MD Remuneration	120.00	102.00	-	(0.49)
	Loans Taken	275.00	145.00	-	(29.00)
	Loan Returned	304.00	116.00	-	-
	Rent Paid	39.00	39.00	-	-
	Security Deposit Given	10.50	-	30.00	19.50
Mr. Suresh Ajila	Director's Remuneration	10.08	9.48	(0.38)	(0.40)
Mrs. Urmila Goenka	Director's Remuneration	3.60	3.60	-	-
Mr. Ashok Pathak	Director's Remuneration W.e.f 26/08/2021	12.66	13.46	(0.55)	(0.62)
	Education Sponsorship	2.20	-	-	-
Mr. Nakul Bagla	CFO Remuneration	75.00	75.00	-	-
	Rent Paid	15.00	15.00	-	-
	Advance Salary	-	-	-	-
	Security Deposit	17.50	-	25.00	7.50
<b>Relative of Key Management Personal</b>					
Mr. Dhruv Bagla	Rent Paid	15.00	15.00	-	-
	Salary paid	30.00	30.00	(0.15)	-
	Security Deposit	25.00	-	25.00	-
Mrs. Gayatri Ajila	Commission	8.57	11.26	-	-
	Rent Paid	6.54	6.08	-	-
	Office Maintenance	3.82	3.56	-	-
	Security Deposit Given	-	-	10.00	10.00
Mrs. Anju Bagla	Salary	28.80	28.80	-	-
Mrs. Surbhi Bagla	Professional Fee	12.00	5.00	(0.90)	-
	Other Services	1.04	-	-	-
Ms. Shailja Pathak	Commission	-	1.63	-	-
Mr. Lalit Kumar Bagla	Reimbursement Paid / Received	3.77	-	-	-
Mrs. Puja Pathak	Commission	6.01	5.06	-	-

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
Others					
Bagla Foundation	Donation for CSR	7.80	28.50	-	-
	Reimbursement Paid/Received	0.06	0.30	-	-
Shree Shree Ishwar Satya Narayanjee & Other Deities	Reimbursement Paid / Received	0.04	0.29	-	-
Amit Kumar	Sitting Fees	0.50	0.30	-	-
Pawan Kumar Gupta	Sitting Fees	0.30	0.40	-	-
Ravi Kumar Agarwal	Sitting Fees	0.15	0.18	-	-
Sudeep Pande	Sitting Fees	0.40	0.45	-	-
SS Dua	Salary	-	0.30	-	-
SNEHA	Salary	-	0.44	-	-
AMIT JHA	Salary	1.32	0.50	-	-
Surya Consumer Goods Pvt Ltd	Reimbursement Paid / Received	0.08	0.09	-	-
Bagla Polifilms LLC	Purchase	7.94	-	(7.94)	-
	Sales	270.29	28.90	163.16	28.70

## 47 Derivative Instruments and un-hedged Foreign Currency disclosure

Particulars	2023-24			2022-23		
	Rs.	Value in Foreign Currency		Rs.	Value in foreign Currency	
Export Sales / return of equipment's purchased	2,596.62	USD	31.47	961.51	USD	11.82
	34.53	Euro	0.39	56.85	Euro	0.67
Advance for Machines/store items	2.36	USD	0.03	-	Euro	
Import- Capital goods	132.29	Euro	1.44	-	-	-
Advance for Material	73.34	USD	0.89	83.15	USD	1.02
	141.73	Euro	1.54	-	Euro	-
<b>Total</b>	<b>2,672.32</b>	<b>USD</b>	<b>32.39</b>	<b>1,044.66</b>	<b>USD</b>	<b>12.84</b>
	<b>308.55</b>	<b>Euro</b>	<b>3.37</b>	<b>-</b>	<b>GBP</b>	<b>-</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.85</b>	<b>Euro</b>	<b>0.67</b>



Particulars	2023-24			2022-23		
	Rs.	Value in Foreign Currency		Rs.	Value in foreign Currency	
<b>Receivables</b>						
Import- Material	1,014.85	USD	12.02	165.61	USD	2.00
	1.62	Euro	0.02	1.93	Euro	0.02
	-	-	-	4.10	GBP	0.04
Import- Store	3.83	Euro	0.04	-	-	-
Advance Received - Customer	875.10	USD	10.39	640.00	USD	7.72
	398.58	Euro	4.34	65.36	Euro	0.72
<b>Total</b>	<b>1,889.95</b>	<b>USD</b>	<b>22.41</b>	<b>805.61</b>	<b>USD</b>	<b>9.72</b>
	<b>400.20</b>	<b>Euro</b>	<b>4.36</b>	<b>67.29</b>	<b>Euro</b>	<b>0.74</b>
	-	<b>GBP</b>	-	<b>4.10</b>	<b>GBP</b>	<b>0.04</b>

- 48 Figures of previous year have been re-grouped/re-arranged/re-cast wherever considered necessary.
- 49 Figures in brackets represent previous year figures.
- 50 The above audited results for the quarter and year ended 31st March, 2024 has been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 30 May, 2024.

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

**For and on behalf of the Board of Directors**

Place : New Delhi  
Date : 30-05-2024  
UDIN : 24089190BKEYMY1911

## INDEPENDENT AUDITOR'S REPORT

To Members of Hindustan Adhesives Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of HINDUSTAN ADHESIVES LIMITED (hereafter referred to as the "Company") and its subsidiary (the Company and its subsidiaries together referred to as the "Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income/(loss)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associate as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, their consolidated profit and their consolidated other comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

- The holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report, and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income (loss), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial

statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

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

#### **Other Matter :**

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The consolidated financial statements include the Group's share of net profit/loss for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of M/s Bagla Technopack Private limited a subsidiary, whose financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the subsidiary, is based solely on the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of an subsidiary as audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this

Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 35(d) to the consolidated financial statements
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
  - iii. The company has transferred the unpaid Dividend amount related to FY 2016-17 of Rs. 386160 to the Investor Education and Protection Fund as on 19.01.2024.
  - iv.
    - (a) The respective management of the company and its subsidiary which are the companies incorporated in India, whose financial statements have been audited under the act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The respective management of the company and its subsidiary which are the companies incorporated in India, whose financial statements have been audited under the act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - (d) Based on our examination, which included test checks, the Company and its subsidiary incorporated in India have used accounting software for maintaining its books of account for the period ended May 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

- 2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports for the companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No. 302113E**

**Kamal Kumar Gupta**  
Partner  
M.No.089190

Place: New Delhi  
Date: 30.05.2024  
UDIN: 24089190BKEYMZ1309

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to Paragraph 2 (f) of Report on Other Legal and Regulatory Requirements of our Report of even date)**

We have audited the internal financial controls over financial reporting of ("the Company") as of 31st March, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 (hereinafter referred to as "the Act").

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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

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

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

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Salarpuria & Partners  
Chartered Accountants  
Firm ICAI Reg. No. 302113E**

**Kamal Kumar Gupta**  
Partner  
M.No.089190

Place: New Delhi  
Date: 30.05.2024  
UDIN: 24089190BKEYMZ1309



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Notes No.	As at 31 March 2024 (Rs. in Lakhs)	As at 31 March 2023 (Rs. in Lakhs)
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
a) Property, Plant and Equipment	4	7,271.50	7,686.37
b) Capital work-in-progress	5	632.90	25.69
<b>c) Financial Assets</b>			
i) Investments	6	238.93	342.34
ii) Other Financial Assets	7	286.92	204.38
d) Other-non current Assets	8	1,560.37	107.68
<b>Total non-current assets</b>		<b>9,990.62</b>	<b>8,366.45</b>
<b>2 Current assets</b>			
a) Inventories	9	3,754.32	5,121.78
<b>b) Financial assets</b>			
(i) Trade receivables	10	3,988.05	2,591.33
(ii) Cash and cash equivalents	11	226.91	115.44
(iii) Bank balances other than (ii) above	12	-	3.95
(iv) Other Financial Assets	13	7.39	7.89
Inter Unit		-	-
c) Other current assets	14	904.49	597.71
<b>Total current assets</b>		<b>8,881.16</b>	<b>8,438.10</b>
<b>Total Assets</b>		<b>18,871.78</b>	<b>16,804.56</b>
<b>B. Equity and Liabilities</b>			
<b>1 Equity</b>			
a) Equity Share capital	15	511.63	511.63
b) Other equity	16	7,057.10	5,460.50
<b>Total equity</b>		<b>7,568.73</b>	<b>5,972.13</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
<b>a) Financial Liabilities</b>			
(i) Borrowings	17	1,748.02	1,914.12
b) Provisions	18	167.47	161.87
c) Deferred tax liabilities (Net)	19	252.13	340.30
<b>Total non-current liabilities</b>		<b>2,167.62</b>	<b>2,416.29</b>

Particulars	Notes No.	As at 31 March 2024 (Rs. in Lakhs)	As at 31 March 2023 (Rs. in Lakhs)
<b>3 Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	20	5,127.38	4,726.25
(ii) Lease Liabilities			
(iii) Trade payables	21		
a) Total Outstanding dues of micro, small and medium Enterprises (MSME)		649.33	495.59
b) Total Outstanding dues of Creditors other than MSME		1,835.24	1,998.05
iv) Other Financial liabilities	22	124.73	210.42
b) Other Current liabilities	23	1,348.00	944.37
c) Provisions	24	50.75	40.81
d) Current Tax Liabilities (Net)	25	-	0.65
<b>Total current liabilities</b>		<b>9,135.43</b>	<b>8,416.14</b>
<b>Total liabilities</b>		<b>11,303.05</b>	<b>10,832.43</b>
<b>Total equity and liabilities</b>		<b>18,871.78</b>	<b>16,804.56</b>

Significant accounting policies and other Notes 1-3

The Accompanying notes are an integral part of the Ind AS financial statements 4-50

As per our report of even date attached

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

For and on behalf of the Board of Directors

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMZ1309

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

CIN: L74899DL1988PLC031191

PARTICULARS	Notes No.	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
I Revenue From Operations	26	30,416.42	32,153.87
II Other Income	27	300.35	349.09
III <b>Total Income (I+II)</b>		<b>30,716.77</b>	<b>32,502.96</b>
IV <b>Expenses</b>			
Cost of Materials Consumed	28	18,573.37	22,035.58
Purchase of Stock-in-Trade		163.96	-
Changes in inventories of finished goods, Work in Process and Stock-in-Trade	29	292.40	-375.97
Employee Benefits Expenses	30	2,128.23	2,095.32
Finance Cost	31	526.48	679.89
Depreciation and amortization Expenses	32	873.63	1,098.21
Other Expenses	33	5,973.65	6,387.34
<b>Total expenses (IV)</b>		<b>28,531.72</b>	<b>31,920.37</b>
V <b>Profit before exceptional items and tax (III-IV)</b>		<b>2,185.05</b>	<b>582.59</b>
VI Exceptional Items		-	-
VII <b>Profit before tax (V-VI)</b>		<b>2,185.05</b>	<b>582.59</b>
VIII <b>Tax expense:</b>			
(1) Current tax	25	632.60	187.00
(2) Deferred tax	19	(88.18)	(90.57)
(3) Mat Credit Utilisation		-	-
		<b>544.42</b>	<b>96.43</b>
IX <b>Profi for the period from continuing operations (VII-VIII)</b>		<b>1,640.63</b>	<b>486.16</b>
X Profit from discontinued operations before tax		-	-
XI Tax expense of discontinued operations		-	-
XII Profit from Discontinued operations (after tax) (X-XI)		-	-
XIII <b>Profit for the period (IX+XII)</b>		<b>1,640.63</b>	<b>486.16</b>
XIV <b>Add: Share of Profit/(Loss) in Associates</b>		-	-
XV <b>Total Profit for the year after Consolidation (XIII+XIV)</b>		<b>1,640.63</b>	<b>486.16</b>
XVI Earnings per equity share (for continuing operation):			
(1) Basic		32.07	9.50
(2) Diluted		32.07	9.50

Significant accounting policies and other Notes 1-3

The Accompanying notes are an integral part of the Ind AS financial statements 4-50

As per our report of even date attached

### For SALARPURIA & PARTNERS

Chartered Accountants

ICAI Firm Regn. No. 302113E

CA KAMALKUMRA GUPTA

Partner

Membership No. 089190

(Amit Kumar)

Director

DIN 06902856

(M. S. BAGLA)

Mg. Director

DIN 01425646

For and on behalf of the Board of Directors

(Amit Kumar Jha)

Company Secretary

M. No.ACS65302

(N. M. BAGLA)

CFO

Place: New Delhi

Date: 30-05-2024

UDIN : 24089190BKEYMZ1309

**CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT  
FOR THE YEAR ENDED MARCH 31, 2024**

CIN: L74899DL1988PLC031191

PARTICULARS	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
<b>A Cash flows from operating activities</b>		
Profit for the year (before tax)	2,185.05	582.58
Adjustments for:		
Depreciation and amortisation expense	873.63	1,098.21
Provision for Gratuity and Leaves	15.54	9.76
Liabilities no longer required written back	-	(4.18)
Net gain on sale of property, plant and equipment	(9.83)	(6.95)
Interest expense	440.05	556.49
Interest income	(25.09)	(9.79)
<b>Operating profit before changes in assets and liabilities</b>	<b>3,479.36</b>	<b>2,226.12</b>
Changes in assets and liabilities :		
(Increase) decrease in inventories	1,367.46	(213.68)
(Increase) decrease in trade receivables and loans+	(2,849.41)	2,503.71
(Increase) decrease in other financial assets	(327.26)	714.68
Increase (decrease) in trade payables	(9.07)	(1,632.98)
Increase (decrease) in other financial liabilities	317.94	(650.78)
<b>Cash (used in)/generated from operating activities</b>	<b>1,979.02</b>	<b>2,947.07</b>
Income tax paid (net of refund)	(719.88)	(249.47)
<b>Net cash (used in)/from operating activities (A)</b>	<b>1,259.14</b>	<b>2,697.60</b>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(438.31)	(779.87)
Acquisition of property, plant and equipment (Capital WIP)	(649.26)	(25.69)
Proceeds from sale of property, plant and equipment	31.71	10.07
Purchase of investments	103.41	-
Proceeds from sale/maturity of investments	-	(174.91)
Interest received	25.09	9.79
<b>Net cash flow from (used in) investing activities (B)</b>	<b>(927.37)</b>	<b>(960.61)</b>

PARTICULARS	For the year ended 31st March, 2024 (Rs. in Lakhs)	For the year ended 31st March, 2023 (Rs. in Lakhs)
<b>C Cash flows from financing activities</b>		
(Repayment) / Proceeds of long term borrowings	(166.10)	(1,316.53)
(Repayment) / Proceeds from current- borrowings(net)	401.13	(88.98)
Interest paid	(440.05)	(556.49)
Other Equity Adjustment	(19.25)	
Net cash flow from (used in) financing activities ( C)	<u>(224.27)</u>	<u>(1,962.00)</u>
Net decrease in cash and cash equivalents (A+B+C)	107.51	(225.01)
Cash and cash equivalents at the beginning of the year	119.40	344.41
<b>Cash and cash equivalents at the end of the year</b>	<u><b>226.91</b></u>	<u><b>119.40</b></u>

**Note:**

- a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7)
- b) Cash and cash equivalents comprises of:

Particulars	As at 31 March 2024	As at 31 March 2023
<b><u>Balances with banks:</u></b>		
Balance in Current Account	20.69	47.20
In Term Deposit accounts	203.70	68.15
In Dividend Accounts	-	3.95
Cash on hand	2.52	0.10
<b>Cash and cash equivalents as per balance sheet</b>	<u><b>226.91</b></u>	<u><b>119.40</b></u>

As per our report of even date attached

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

For and on behalf of the Board of Directors

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMZ1309

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2024

### 1 Corporate Overview

Hindustan Adhesives Limited and its subsidiaries, collectively referred to as (the 'Company') and its registered office situated at B-2/8, Safdarjung Enclave, New Delhi-110029. The Company has been incorporated under the provisions of Companies Act, 1956 and its equity shares are listed on the BSE in India.

The Hindustan Adhesives Limited Established in 1988, Ventured into manufacturing products for fast growing packaging industry with establishing Hindustan Adhesives Limited - A Specialty Adhesive Coating Company with the then latest technology of Acrylic emulsion based coating and Hot Melt Adhesive coatings. It further expanded progressively to bring into India the latest and Specialized Double Bubble Film technology in this Industry. The Company has three manufacturing locations (Gautambudh Nagar in Uttar Pradesh , Roorkee in Uttarakhand and Bhadreshwar - Kutch, in Gujarat), with a marketing presence throughout India and exports to all the major Continents in the world, having won many Leading Exporter Awards from the Govt. of India.

### 2 Significant Accounting Policies

#### A. Statement of compliance

- a) These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable and other relevant provision of the Act under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, notified under the Act and Rules prescribed there under.

#### B. (i) Basis of Preparation

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Employee's defined benefit plan	As per actuarial valuation

#### B. (ii) Principles of Consolidation

The Consolidated financial statements consist of Hindustan Adhesives Limited and its Subsidiary company (collectively referred to as "the company"). Subsidiaries are entities controlled by the company. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate. Inter-company transactions and balances including unrealized profits are eliminated in full on consolidation.

**The Consolidated Financial statements have been prepared on the following basis:**

- 1) The Consolidated financial statements include Hindustan Adhesives Limited and its Subsidiary i.e Bagla Technopack Private Limited. The subsidiary is the entity controlled by Hindustan Adhesives Limited by 100% investment in the equity shares of the Subsidiary. 2) Results of subsidiaries acquired during the year are included in the consolidated financial statements from the effective date of acquisition. 3) Inter-company transactions and balances are eliminated in full-on consolidation.

**The List of Subsidiary which are included in the consolidation and the Group's holdings therein are as under:**

Name of the Entity	Country of Incorporation	Proportion of Ownership as on 31st March 2024
<b>Associate Company</b>		
Bagla Technopack Private Limited*	INDIA	100.00%

\* Last year Proportion of ownership is 49%

**C. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Lakhs.

**D. Use of estimates**

In preparing these financial statements management has made judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are furnished in the relevant notes.

**E. Measurement of fair values**

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For the purpose of Fair value disclosures the company has determined classes of assets and liabilities on the basis of nature characteristics and risk of assets or liabilities and the level of fair value hierarchy as explained above this note summarises accounting policies for fair value and the other fair value related disclosures are given in relevant notes.

**3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS balance sheet unless otherwise indicated.

**a. Foreign currency transactions**

Transactions in foreign currencies are translated into functional currency of the Company at the rate prevailing at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

- Foreign currency monetary items are translated in the functional currency at the exchange rate at the reporting date.
- Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the rate when the fair value was determined.
- Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.
- Exchange differences are recognised in profit or loss in the period in which they arise, except exchange differences arising from the translation of the items which are recognised in OCI.

## b. Financial instruments

### i. Recognition and initial measurement

Financial instruments are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue of financial assets or liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

### ii. Classification and subsequent measurement

#### Financial assets

On subsequent recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

If all financial assets are not measured at amortised cost or FVOCI as described above, to be measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.



**Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'Other financial liabilities'. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

**iii. De-recognition****Financial assets**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

**iv. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**v. Derivative financial instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Changes in the fair value of any derivative instrument are recognised immediately in the statement of profit and loss and are included in other income or expenses.

**c. Property, plant and equipment and capital work-in-progress****i. Recognition and measurement****Property, plant and equipment**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

### Capital work-in-progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets.

#### ii. *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised and, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment .

#### iii. *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company otherwise charged in statement of profit & loss for the period in which the costs are incurred.

#### iv. *Depreciation*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method for Plant & Machinery and Electric Installation and the written down value method for Building, Office Equipment , Air conditioner, Furniture & Fixtures, computers and vehicles and is generally recognised in the statement of profit and loss.

Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are estimated by the Management, which are equal to the life prescribed under the Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

### d. **Inventories**

Inventories are valued as follows:

- i. Raw materials, stores and spares are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on First in First out Basis (FIFO).
- ii. Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- iii. Scraps / rejected materials are valued at estimated net realisable value. Net realisable 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. The comparison of cost and net realisable value is made on an item by item basis.

### e. **Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

**f. Employee benefits****i. Short-term employee benefits**

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

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Company providing retirement benefit in the form of provident fund is a defined contribution scheme. The contributions payable to the provident fund are recognised as expenses, when an employee renders the related services. The Company has no obligation, other than the contribution payable to the funds.

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company accounts for gratuity liability of its employees on the basis of actuarial valuation carried out at the year end by an independent actuary.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv. Other long-term employee benefits**

Company treats accumulated leave, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

**g. Revenue****i. Sale of goods**

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

**h. Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

Interest income or expense is recognised using the effective interest method.

**i. Government grants**

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis.

**j. Leases**

**i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

**ii. Assets held under leases**

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's balance sheet.

**iii. Lease payments**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**k. Income-tax**

Income Tax expenses comprise current and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised

in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for the temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### **iii. MAT credit**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified year. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

## **I. Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## **m. Provision, contingent liabilities and contingent assets**

A provision is recognised if as a result of a past event the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Expected future operating losses are not provided for.

### **Contingencies**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

### **Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

**n. Earnings per share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

**o. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

**p. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible (including interest thereon) to known amounts of cash and which are subject to an insignificant risk of changes in value.

**q. Assets held for sale**

Assets are classified as assets held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

**r. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 4 Property Plant and Equipments (Rs. in Lakhs)

Particulars	Freehold land	Electrical Installation	Buildings	Plant and equipment	Furniture & Fittings	Vehicles	Computer	Air Conditioner	Office Equipments	ETP, FIRE & Pollution	Total
<b>At Cost</b>											
Balance at April 1, 2022	155.26	752.67	1,984.60	9,990.55	362.78	318.50	68.78	34.29	27.80	185.22	13,880.45
Additions	-	25.61	56.52	531.78	79.17	54.22	20.68	6.93	4.96	-	779.87
Disposals / Adjustment	-	-	-	-	-	24.74	-	-	-	-	24.74
Balance at March, 31, 2023	155.25	778.28	2,041.12	10,522.33	441.95	347.98	89.46	41.22	32.76	185.22	14,635.57
Additions	-	4.87	89.20	292.59	19.77	17.02	4.08	4.36	3.36	-	435.25
Disposals / Adjustment	-	31.80	-	24.32	-	5.34	-	-	-	-	61.46
Balance of Holding Company as on March, 31, 2024	155.25	751.35	2,130.32	10,790.60	461.72	359.66	93.54	45.58	36.12	185.22	15,009.37
Balance of Subsidiary Company as on March, 31, 2024	45.41	-	-	-	-	-	-	-	-	-	45.41
Consolidated Balances as on March, 31, 2024	200.67	751.35	2,130.32	10,790.60	461.72	359.66	93.54	45.58	36.12	185.22	15,054.78
<b>Property Plant and Equipments-Accumulated Depreciation</b>											
<b>Accumulated depreciation and impairment</b>											
Balance at April 1, 2022	-	375.73	545.70	4,481.95	166.92	210.04	47.65	20.61	7.57	16.45	5,872.62
Depreciation expense	-	46.06	152.20	756.94	60.27	43.17	19.04	4.51	5.57	10.46	1,098.22
Eliminated on disposals of assets	-	-	-	-	-	21.61	-	-	-	-	21.61
Balance at March, 31, 2023	-	421.79	697.90	5,238.89	227.19	231.60	66.69	25.12	13.14	26.91	6,949.23
Additions	-	50.80	142.76	543.11	58.94	42.26	13.78	4.51	5.70	11.76	873.62
Disposals / Adjustment	-	30.21	-	4.45	-	4.92	-	-	-	-	39.57
Balance of Holding Company as on March, 31, 2024	-	442.38	840.66	5,777.55	286.13	268.94	80.47	29.63	18.84	38.67	7,783.28
Balance of Subsidiary Company as on March, 31, 2024	-	-	-	-	-	-	-	-	-	-	-
Consolidated Balances as on March, 31, 2024	-	442.38	840.66	5,777.55	286.13	268.94	80.47	29.63	18.84	38.67	7,783.28
<b>Property Plant and Equipments-Net Block</b>											
Balance of Holding Company as on March, 31, 2023	155.25	356.49	1,343.22	5,283.44	214.77	116.38	22.78	16.10	19.61	158.30	7,686.37
Balance of Holding Company as on March, 31, 2024	155.25	308.97	1,289.66	5,013.05	175.59	90.72	13.08	15.95	17.28	146.55	7,226.09
Balance of Subsidiary Company as on March, 31, 2024	45.41	-	-	-	-	-	-	-	-	-	45.41
Consolidated Balances as on March, 31, 2024	200.67	308.97	1,289.66	5,013.05	175.59	90.72	13.08	15.95	17.28	146.55	7,271.50

**NOTES FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**
**5 Capital work in progress**
**(Rs. in Lakhs)**

Particulars	Building	Pre-operative expense	Other Plant & Equipments	Total
<b>Balance at April 1, 2022</b>	25.69	0.31	-	26.00
Additions	0.68	36.07	-	36.74
Adjustments/capitalised during the year	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>26.37</b>	<b>36.38</b>	-	<b>62.74</b>
Additions	496.52	115.98	-	612.51
Adjustments/capitalised during the year	(42.35)	-	-	(42.35)
Effect of foreign exchange differences	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>480.55</b>	<b>152.36</b>	-	<b>632.90</b>

\*Includes Capital work in progress of subsidiary entity of Rs. 37.05 Lakhs in F.Y. 2022-23 for consolidation in the F.Y. 2023-24.

**6 Investment**

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments in Other Entities (Refer Note 6A)	238.93	342.34
Other Investment (Refer Note 6B)	-	-
<b>Total Investments</b>	<b>238.93</b>	<b>342.34</b>

**6A Investment in Associate**

Particulars	As at March 31, 2024	As at March 31, 2023
12759994 (P.Y.1470000) equity shares of Bagla Technopack Pvt Ltd, Face Value @ Rs 10 each (11289994 (P.Y.1370000) Number of shares were subscribed and allotted during the year ) Company become wholly owned subsidiary w.e.f. 03/01/2024 on allotment of shares.	-	147.00
<b>Total Investment in Associates/Subsidiary</b>	<b>-</b>	<b>147.00</b>



**6B Investment in Equity Instruments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Others (Unquoted ( fully paid up))</b>		
49000 (P.Y.49000) equity shares of Bagla wellness Pvt. Ltd, Face Value @ Rs 10 each.	18.40	18.40
456900 (P.Y.46900) equity shares of Bagla Polifilms Ltd, Face Value @ Rs 10 each.	114.29	114.29
1062500 (P.Y. 626620) equity shares of Bagla Tecvision Pvt Ltd, Face Value @ Rs 10 each (435900 (P.Y. 379000) Number of shares were subscribed and allotted during the year )	106.25	62.66
10000 (P.Y. 10000) equity shares of Banaras state bank Ltd.	1.00	1.00
<b>Total Investments in Other Equity instruments</b>	<b>239.93</b>	<b>196.34</b>
Less: Provision for diminution in value	(1.00)	(1.00)
<b>Net Investment in Equity Instruments</b>	<b>238.93</b>	<b>195.34</b>
<b>Aggregate carrying value of unquoted investments</b>	<b>238.93</b>	<b>195.34</b>

**7 Other Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits *	286.92	204.38
* Security deposits are for more than 12 months		
* Security deposits includes Rs 90,00,000 (PY37,00,000) due from Related Party, for operating leases.		
<b>Total</b>	<b>286.92</b>	<b>204.38</b>

**8 Other non-Current Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Advances</b>		
Advance for Capital goods	1,560.14	84.02
<b>Preliminary</b> (To the extent not written off or adjusted and further to be amortized after 12 months from the reporting date)	0.23	-
<b>Others</b>		
Assets held for sale	-	23.66
<b>Total</b>	<b>1,560.37</b>	<b>107.68</b>

**9 Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Material	1,267.90	2,381.10
Raw Material-in Transit	461.93	503.66
Work in process	973.13	986.39
Finished Goods	645.59	950.93
Finished Goods-Traded	14.20	-
Stores and spares, fuel and packing material	364.26	284.39
Scrap for sales	27.31	15.31
<b>Total</b>	<b>3,754.32</b>	<b>5,121.78</b>

**10 Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Unsecured, considered good	3,988.05	2,591.33
(b) Credit Impaired	5.80	-
Provision for doubtful debts	(5.80)	-
<b>Total</b>	<b>3,988.05</b>	<b>2,591.33</b>

**Note:**

- 1 No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.
- 2 Trade receivables are generally non interest bearing
- 3 Trade receivable includes due from related parties Rs. 2,11,41,871/- (Previous year Rs. 28,69,502/-)
- 4 Ageing required as per Schedule III, to the companies act are furnished in note No. 37(xxii)

**11 Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance with Scheduled banks</b>		
On Current Account	20.69	47.19
On Term Deposits Account @+	203.70	68.15
<b>Cash in hand</b>	2.52	
As per Books and certified	-	0.10
<b>TOTAL</b>	<b>226.91</b>	<b>115.44</b>

@ Pledged with bank as margin for issuing letter of Guarantees

+ Maturity period of deposit are less than 12 months

**12 Bank Balance other than Cash and Cash Equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Bank (Dividend account)	-	3.95
<b>TOTAL</b>	<b>-</b>	<b>3.95</b>

**13 Other Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued-Fixed Deposit with Banks	7.39	0.55
Insurance Claim Receivable	-	7.34
<b>TOTAL</b>	<b>7.39</b>	<b>7.89</b>

**14 Other current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a) Advance other than capital advances</b>		
i) Advances to vendor for Supplies and services	275.07	103.53
ii) Advances to employees	29.78	17.26
iii) Others*	297.00	-
<b>b) Advances to related Parties</b>	15.26	100.00
<b>c) Others Advances</b>		
i) Balance with Goods and Service Tax Authorities	127.37	293.02
ii) Export Incentives receivable	11.99	0.14
iii) Income Tax Refundable	8.96	21.70
iv) Prepaid expenses	75.72	59.52
v) Other Receivables	1.79	2.54
<b>d) Current Income Tax (Net of Provision)</b>	61.55	-
<b>TOTAL</b>	<b>904.49</b>	<b>597.71</b>

\* Advances given for capital goods but contract cancelled subsequently

**15 Equity Share Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Capital</b>		
7,000,000 equity shares of 10 each	700.00	700.00
<b>Issued, Subscribed and Paid up</b>		
5,116,300 equity shares of 10 each fully paid up	511.63	511.63
<b>TOTAL</b>	<b>511.63</b>	<b>511.63</b>

## (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	51.16	51.16
Movements	-	-
<b>Balance as at the end of the year</b>	<b>51.16</b>	<b>51.16</b>

## (ii) Rights, preferences and restriction attached to shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders.

## (iii) Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
1 Mr. Madhusudan Bagla	812,419	15.88%	812,419	15.88%
2 Mrs. Anju Bagla	598,630	11.70%	598,630	11.70%
3 Mr. Dhruv Bagla	314,580	6.15%	314,580	6.15%
4 Mr. Nakul Bagla	375,100	7.33%	372,100	7.27%
5 Mr. M.S.Bagla - Karta ( M.S.Bagla - HUF )	269,250	5.26%	269,250	5.26%

## (iv) a. Shareholding of Promoters (Equity Shares) as on 31/03/2024

S. No.	Name of Promoter/(s)	No. of Shares	% Total Shares	No. of Shares	% Total Shares	% Change during the year 2023-24
1	Mr. Madhusudan Bagla	812,419	15.88%	812,419	15.88%	-
2	Mrs. Anju Bagla	598,630	11.70%	598,630	11.70%	-
3	Mr. Dhruv Bagla	314,580	6.15%	314,580	6.15%	-
4	Mr. Nakul Bagla	375,100	7.33%	372,100	7.27%	0.08
5	Mr. M.S.Bagla - Karta (M.S.Bagla - HUF)	269,250	5.26%	269,250	5.26%	-
6	Mrs. Sidhika Goenka	26,350	0.52%	26,350	0.52%	-

## (iv) b. Shareholding of Promoters (Equity Shares) as on 31/03/2023

S. No.	Name of Promoter/(s)	No. of Shares	% Total Shares	No. of Shares	% Total Shares	% Change during the year 2022-23
1	Mr. Madhusudan Bagla	812,419.00	15.88%	812,419.00	15.88%	-
2	Mrs. Anju Bagla	598,630.00	11.70%	598,630.00	11.70%	-
3	Mr. Dhruv Bagla	314,580.00	6.15%	314,580.00	6.15%	-
4	Mr. Nakul Bagla	372,100.00	7.27%	372,100.00	7.27%	-
5	Mr. M.S.Bagla - Karta (M.S.Bagla - HUF)	269,250.00	5.26%	269,250.00	5.26%	-
6	Mrs Sidhika Goenka	26,350.00	0.52%	26,350.00	0.52%	-

**16 Other equity**

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve #	30.00	30.00
Security Premium account	212.60	212.60
Investment allowance utilization reserve ##	25.00	25.00
Retained earnings	6,808.79	5,192.90
Less:Expenses for Increase in Authorised Share Capital	(19.29)	-
# For Capital Subsidy received in earlier years		
## Since 1992-93		
<b>TOTAL</b>	<b>7,057.10</b>	<b>5,460.50</b>

**Capital Reserve**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	30.00	30.00
Changes during the year	-	-
<b>Balance at end of the year</b>	<b>30.00</b>	<b>30.00</b>

**Security Premium account**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	212.60	212.60
Changes during the year	-	-
<b>Balance at end of the year</b>	<b>212.60</b>	<b>212.60</b>

**Investment allowance utilization reserve**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	25.00	25.00
Changes during the year	-	-
<b>Balance at end of the year</b>	<b>25.00</b>	<b>25.00</b>

**Retained Earnings**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	5,192.90	4,704.94
Profit after tax for the year	1,640.61	486.13
Provision for Income tax for earlier years	(24.72)	1.83
Other Comprehensive Income	-	-
<b>Balance at end of the year</b>	<b>6,808.98</b>	<b>5,192.90</b>

## 17 Long term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>Term loans from banks/ Auto Loans</b>		
State Bank Of India ( Refer Note A)	1.19	85.58
Indian Bank (Refer Note-B)	850.00	1,299.99
ICICI Bank ( Refer Note - C)	-	3.01
ICICI Bank ( Refer Note - C)	2.20	5.79
Indian Bank ( Refer Note - C)	9.87	14.35
HDFC Bank (Refer Note-E)	834.76	
<b>Working Capital Term Loan (GECL-COVID-19 Loan )</b>		
State Bank Of India ( Refer foot Note A(h))	-	278.22
IDBI Bank - (Refer Note-D)	-	198.18
<b>Working Capital Term Loan (COVID Emergency Credit Line)</b>	-	
Indian Bank (Refer foot Note-B(f))	-	0.00
	<b>1,698.02</b>	<b>1,885.12</b>
<b>Unsecured</b>		
From Directors	-	29.00
From Body Corporate	50.00	-
	<b>50.00</b>	<b>29.00</b>
<b>TOTAL</b>	<b>1,748.02</b>	<b>1,914.12</b>

**A Term Loans from State Bank of India is secured by way of :**

- First pari-passu charge on entire fixed assets of the company situated at Mundra, Kutch , Gujrat along with Indian Bank - for Term Loan.
- First pari-passu charge on factory Land and Building situated at Survey No. 380/PAIKI /1 Gandhi Dham Road, Village , Bhadreshwar, Tehsil, Mundra, Kutch, Gujrat along with Indian Bank - for Term Loan.
- First charge over Factory Land and Building at Khasra No.9/0-17-0 and Khasra no.10/0-16-0,11/10-17-0,12/0-19-0,8/0-4-0,14/1 M/2-9-10, situated at village Acheja , Tehsil Dadri Dist. Ghaziabad, Gautam Budh Nagar(Uttar Pradesh) admeasuring total area 3 bigha,13 biswa,6 sahi,2/3 Biswansi.
- First Charge on entire fixed assets Located at Dadri, district Ghaziabad Plant.
- Second pari pasu charge entire current assets of the Company , (both present and future),along with other term landers Indian Bank.
- Personal guarantee of Mr. Madhusudan Bagla , the Managing Director of the Company.
- The Term Loan is repayable in 24 Quarterly instalments, interest is payable on monthly basis.
- The COVID Emergency Credit Line (CCECL) and The Emergency Credit Line (GECL) Loans are completely been paid off during the Year.

**B Term Loans from Indian Bank is secured by way of :**

- First pari-passu charge on entire movable and immovable fixed assets of the company (including Land and Building) of the manufacturing unit at Survey No. 380/PAIKA /1 Gandhi Dham Road, Village, Bhadreshwar, Tehsil, Mundra, Kutch, Gujrat along with State Bank of India.

- b) First charge on the entire movable fixed assets, (including Land admeasuring 1800 Sqm and Building and Structure thereon and all Plant and Machinery of the unit at Plot No. 15, KIE Industrial Estate, Village Mundyaki, Pargana Mangalore, Tehsil, Roorkee, Dist. Haridwar, both present & future ton exclusive basis.
- c) Second pari pasu charge entire movable current assets of the company, both present and future, to be shared with State Bank of India i.e. other term lender.
- d) Second Pari passu charge along with Working Capital Lenders on the entire moveable and immovable fixed assets of the Unit (including Land admeasuring 3 Bigha, 13 Biswa and 6 sahi,2/3 bushwansi, and building and structure thereon and all plant and machinery) but excluding the land area on 0.0253 Hectares covered under separate sale deed on which negative lien is stipulated ) situated at situated at village Acheja , Tehsil Dadri Dist. Ghaziabad, Gautam Budh Nagar(Uttar Pradesh) along with State Bank of India.
- e) Personal guarantee of the Managing Director Mr. Madhusudan Bagla Managing Director of the Company.
- f) The Term Loan of is repayable in 24 Quarterly instalments, starting from June 2021, interest is payable monthly.
- g) The COVID Emergency Credit Line (CCECL) and The Emergency Credit Line (GECL) Loans are completely been paid off during the Year.
- C** Loan from ICICI Bank, Indian Bank & State Bank of India are secured by way of hypothecation of the vehicle financed by them.
- D** Term Loans from IDBI Bank is secured by way of :
- a) Extension of Charges on Second pari-pasu basis on primary and collateral securities charged for other facilities.
- b) The Emergency Credit Line (CCECL) Term Loan of Rs. 1.61 Crores sanctioned in 2020 is repayable in 36 Monthly instalments, starting from March ,2022, interest is payable on monthly basis full paid by the company.
- c) The Emergency Credit Line (CCECL) Term Loan of Rs. 1.53 Crores sanctioned in May 2022 is repayable in 48 Monthly instalments, starting from April,2024, interest is payable on monthly basis full paid by the company
- E** Term Loan of Subsidiary Company sanctioned by HDFC Bank Ltd is Secured by
- a) Current Assets: Exclusive Charge by way of Hypothication on all current assets both present and future including Hypothecation of finished goods, Semi Finished goods and Raw Material.
- b) Movable Fixed Assets: Exclusive Charge by way of Hypothecation on all movable Fixed Assets.
- c) Factory Land and Building: Exclusive charge to be created on Land/Plot : Revenue Survey No. 379/2 Paiki 1, Near Hindustan Adhesives Limited, On Mundra-Adipur State Highway, Village-Bhadreshwar, Taluka-Mundra, District-Kutch, State-Gujarat.
- d) Industrial Property: First Pari Passu charge to be created on industrial Units at Dadri UP owned by Hindustan Adhesives Limited.
- e) Immovable Fixed Assets: Exclusive Charge on all immovable fixed Assets
- f) Corporate Guarantee : M/s Hindustan Adhesives Limited
- g) Movable Fixed Assets: Second Charge on all the fixed assets (Movable and Immovable) of the parent company namely Hindustan Adhesives Limited

## 18 Provisions- Non Current

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Leave Encashment	6.91	9.80
Gratuity	160.56	152.07
<b>TOTAL</b>	<b>167.47</b>	<b>161.87</b>

## 19 Deferred Tax Liabilities (Net of Assets)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liabilities -On timing difference</b>		
On accounting of Depreciation as per Income tax Rules and as per Companies Act.	319.13	399.54
On Fair Value of Investments	-	-
<b>Less:</b>	<b>319.13</b>	<b>399.54</b>
<b>Deferred Tax Assets-On timing difference</b>		
On accounting of Doubtful debts	1.46	0.00
On accounting of Provision for Bonus, Gratuity and Compensated absence	65.54	59.24
<b>TOTAL</b>	<b>252.13</b>	<b>340.30</b>

## 20 Short term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term loans / Auto Loan from banks '(Payable within next 12 Months) (Refer note no 17 "Long term borrowing")</b>		
State Bank of India	75.33	435.00
Indian Bank	454.49	453.04
ICICI Bank- I	3.01	3.75
ICICI Bank- II	3.54	3.25
Yes Bank	-	6.03
<b>Working Capital Term Loan (GECL-COVID-19 Loan )</b>		
State Bank of India	-	18.75
IDBI Bank	-	53.67
<b>Working Capital Term Loan (COVID Emergency Credit Line)</b>		
Indian Bank	-	4.33
	<b>536.37</b>	<b>977.82</b>
<b>Cash Credit Limits (Refer Note- A-B)</b>		
Indian Bank	91.28	0.00
IDBI Bank	310.79	27.85
State Bank of India	2,526.95	2,405.47
HDFC Bank	1,661.99	1,315.11
	<b>4,591.01</b>	<b>3,748.43</b>
<b>TOTAL</b>	<b>5,127.38</b>	<b>4,726.25</b>



- A** Working Capital Loans from State bank of India , Indian bank , IDBI bank and HDFC Bank is secured by way of First pari passu charge on the entire current assets of all three units of the company both present & future.
- B** Working Capital Loans from State bank of India , Indian bank , IDBI bank and HDFC Bank is secured by way of second pari passu charge on the entire movable and immovable fixed assets both present & future of the company's unit located Unit located at Roorkee (Haridwar), Dadri (Uttar Pradesh) and Kutch (Gujarat), including land and building except land admeasuring 0.253 hectares [art of the existing factory land.

**21 Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial liabilities carried at amortized cost</b>		
For Goods	1,936.30	2,030.46
For Services	548.27	463.18
Note : Ageing required as per Schedule III, to the companies act are furnished in note No. 37(xxiii)		
<b>TOTAL</b>	<b>2,484.57</b>	<b>2,493.64</b>
Total outstanding dues of micro enterprises and small enterprises (refer Note No. 37(xxiii))	649.33	495.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,835.24	1,998.05
<b>TOTAL</b>	<b>2,484.57</b>	<b>2,493.64</b>

**22 Other financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
i) Interest accrued but not due	14.46	41.37
ii) Unclaimed dividend*	-	3.95
iii) Payable for capital goods	0.46	66.58
iv) Payable for employees	109.81	98.52
<b>TOTAL</b>	<b>124.73</b>	<b>210.42</b>

\* The Amounts reflects the position as at year end. No amount is due to be transferredThe actual amount to be transferred to Investor Education and Protection Fund as at balance sheet date.

**23 Other Current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance received from Customers	1,115.71	759.16
Statutory Liabilities	60.73	73.92
Other liability	171.56	111.30
<b>TOTAL</b>	<b>1,348.00</b>	<b>944.38</b>

**24 Provisions -Current**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee Benefits</b>		
Provision for Leave encashment	1.06	0.72
Provision for Gratuity	49.69	40.09
<b>TOTAL</b>	<b>50.75</b>	<b>40.81</b>

**25 Current Tax Liabilities (Net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current Tax</b>		
Provision for Income Tax	-	187.00
Less: Tax paid	-	186.35
<b>TOTAL</b>	<b>-</b>	<b>0.65</b>

**26 Revenue From Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Sale of products</b>		
Domestic Sale	10,058.60	9,995.32
Export Sale	19,985.45	21,921.72
Trading Sale	233.49	
Scrap Sale	136.52	235.99
	<b>30,414.06</b>	<b>32,153.03</b>
<b>B. Sale of services</b>		
Job Work	2.36	0.84
<b>Total</b>	<b>30,416.42</b>	<b>32,153.87</b>

**27 Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>a) Interest income</b>		
Term Deposits	5.33	5.97
Security Deposits	4.38	3.82
Interst Received from Other	15.38	
	<b>25.09</b>	<b>9.79</b>
<b>b) Other gains and losses</b>		
Export Incentives	0.13	5.91
Exchange rate fluctuation gain/(loss)(Net)	200.46	319.33

## 27 Other Income (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Excess Provision for Bonus written back	0.54	4.18
Provision for Doubtful Debts written back	22.85	-
Excess Provision for Leave Encashment written back	26.67	-
Gain on Disposal of property, plant and equipment	9.83	6.95
Sundry Balances Written off ( Net )	9.83	-
Other Receipts	4.95	2.93
	<b>275.26</b>	<b>339.30</b>
<b>Total</b>	<b>300.35</b>	<b>349.09</b>

## 28 Cost of materials consumed\*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stocks	2,381.09	1,932.73
Add: Purchases	17,460.18	22,483.94
Less: Closing Stocks	(1,267.90)	(2,381.09)
<b>Total</b>	<b>18,573.37</b>	<b>22,035.58</b>

\* The Consumption amounts shown above have been ascertained on the basis of materials consumed and after considering excess/shortages ascertained on physical verifications.

## 29 Changes in inventories of finished goods, work-in process and Stock in Trade\*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening Stock</b>		
Work in Process	986.39	678.52
Finished Goods	933.07	806.51
Material in Transit	17.85	11.41
Scrap	15.32	80.22
	<b>1,952.63</b>	<b>1,576.66</b>
<b>Closing Stock</b>		
Work in Process	973.13	986.39
Finished Goods	637.61	910.00
Finished Goods -Traded	14.20	-
Material in Transit	7.98	40.92
Scrap	27.31	15.32
	<b>1,660.23</b>	<b>1,952.63</b>
<b>Change in inventory</b>	<b>292.40</b>	<b>(375.97)</b>

\* Closing inventory is net off scrapped /reworked items and shortages/excesses.

**30 Employee Benefits Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and other Allowances	1,696.10	1,674.64
Contribution to Provident and other Allied Funds	64.42	63.19
Director's Remuneration	143.02	123.28
Staff Welfare and Benefits	188.86	210.57
Gratuity	36.07	22.18
Leave Encashment	(0.24)	1.46
<b>Total</b>	<b>2,128.23</b>	<b>2,095.32</b>

**31 Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest to Banks on Cash/Packing credits	211.02	194.92
Interest to Bank on Term Loan	209.50	349.53
Interest on Other	19.54	12.05
Bank Commission and Charges	86.42	123.39
<b>Total</b>	<b>526.48</b>	<b>679.89</b>

**32 Depreciation and amortization Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation ( Note. 4 Property, Plant and Equipment)	873.63	1,098.21
<b>Total</b>	<b>873.63</b>	<b>1,098.21</b>

**33 Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Manufacturing Expenses</b>		
Power & Fuel Consumed	1,162.44	1,278.88
Store, Spares & Tools Consumed	232.80	222.70
Packing Expenses	1,397.46	1,449.30
Carriage Inward	102.29	85.55
Inter Unit Purchase		
<b>Repairs and Maintenance:</b>		
Building and Shed	78.21	49.84
Plant and Machinery	270.09	246.37
Research & Development charges	10.23	12.57
	<b>3,253.52</b>	<b>3,345.21</b>

**33 Other Expenses (Contd.)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>ADMINISTRATIVE AND OTHER OVERHEADS</b>		
Rent, Rates and Taxes	133.38	124.68
Printing and Stationery	24.70	20.88
Traveling and Conveyance	242.08	165.70
Vehicle Running Maintenance	63.97	74.01
Postage & Telephone charges	66.05	46.27
Electricity and Water Overheads	19.38	18.73
Data processing Expenses	29.88	31.11
Legal and Professional Charges	115.05	124.75
Advertisement Expenses	8.74	5.52
<b>Auditor's Remuneration :</b>	-	
For Audit Fees	3.60	2.88
Fees & Subscription	29.96	35.79
Insurance Charges	35.73	56.66
General Expenses	151.40	144.81
Unrealised Claim Written off	22.60	49.65
Bad-Debts Written Off	76.01	
Provision for doubtful debts/advances	5.80	-
Sundry Balances Written off ( Net )	-	4.23
Expenses on Corporate Social Responsibility	34.35	40.30
Previous year adjustment (Net)	0.48	2.10
	<b>1,063.16</b>	<b>948.07</b>
<b>Sales and Distribution Overheads</b>		
Freight and Carriage Outward	1,096.90	1,597.89
Discount, Rebates and Claims	21.46	18.47
Brokerage & Commission	371.65	395.33
Business Promotion Expenses	80.19	58.15
Statutory Demands, Sales Tax , VAT,GST etc.,	45.62	17.38
Exhibition & Conference Expenses	41.15	6.84
	<b>1,656.97</b>	<b>2,094.06</b>
<b>Total</b>	<b>5,973.65</b>	<b>6,387.34</b>

**34 Government Grants**

The Company has applied the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, .

**35 Contingent liabilities not provided for in respect of:**

- (a) (i) Bank Guarantees given by the Company Rs. 49.73 Lacs (Previous year Rs. 59.73 Lacs)  
(ii) Corporate guarantee given to HDFC Bank on behalf of its wholly owned subsidiary i.e. Bagla Technopack Pvt. Ltd.
- (b) Foreign letter of credit opened with IDBI Bank, Indian Bank State Bank of India & HDFC Bank for import of Raw material etc. worth Rs. 126.73 Lacs (Previous year Rs. 989.91 Lacs) and domestic letter of credit for procurement of raw material from domestic supplier Rs. Nil (Previous year Rs. NIL)
- (c) Central Sales tax payable for Assessment year 2013-14 in respect of its Roorkee unit, Nil (Previous year 6.65 Lacs). The Appeal against the same has been settled in favour of the Company during the year.
- (d) Income Tax Penalty Demand pending in Appeals / rectification:

Forum at which pending	Assessment year	Amount	Order Under Section	Particulars
Commissioner of Income Tax Appeals (NFAC)	2014-15	50.47	153-C of Income Tax ,1961	Appeal filed against addition made
Asst. Commissioner of Income Tax	2014-15	4.72	153-C of Income Tax ,1961	Rectification for Credit for Tax Already paid
Commissioner of Income Tax Appeals (NFAC)	2015-16	19.15	153-C of Income Tax ,1961	Appeal filed against addition made
Asst. Commissioner of Income Tax	2016-17	4.72	153-C of Income Tax ,1961	Rectification for Credit for Tax Already paid
Asst. Commissioner of Income Tax	2017-18	3.92	153-C of Income Tax ,1961	Rectification for Credit for Tax Already paid
Commissioner of Income Tax Appeals (NFAC)	2018-19	15.73	270-A of Income Tax ,1961	Appeal filed against Penalty
Asst. Commissioner of Income Tax	2019-20	41.82	153-C of Income Tax ,1961	Rectification for Error in calculation

- 36** Estimated Amount of capital commitment for contracts remaining to be executed Rs 3.58 Crore (Previous year 2.21 Crore) against which advances are given Rs 1.50 Crore (previous year Rs.0.84 Crore ).

**37 Disclosures of the Additional Regulatory Information to the extent applicable to the company are made in compliance with the amendments made in Schedule III to the Companies Act 2013 vide Notification No. GSR 207(E) dated 24th March, 2021, are given as under:**

- (i) The Title Deeds of the Property owned by the Company are held by the Company in its own Name, and the documents thereof are pledged with the State Bank of India.
- (ii) The Company does not hold any property as Investment as any time during the year
- (iii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets)
- (iv) The Company does not have any intangible assets at any time during the year
- (v) The company has not granted Loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) at any time during the year, except Nil (PY. Rs. 1 crore) shown in Note 37(xxvi) below which was recovered in due course.
- (vi) The Company does not own any Capital Work in Progress (CWIP) at the close of the financial year.
- (vii) The Company does not have any Intangible assets under development at any time during the year
- (viii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ix) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from State Bank of India as lead banker in the consortium where IDBI , HDFC and Indian Bank are members. on the basis of returns or statements filed by the Company with banks are in agreement with the books of account of the Company except for statements filed for month ended 30 June 2023, 30 September, 2023, 31 December 2023 and 31 March 2024 where

differences were noted between the amount as per books of account for respective months and amount as reported in the quarterly statements.

The difference were in case of Debtors amounting to Rs (-)12 Lakhs (amount reported – Rs 2,289 Lakhs Vs amount per books of account – Rs 2,277), Rs (-)132 Lakhs (amount reported – Rs 2,642 Lakhs Vs amount per books of account – Rs 2,511 Lakhs), Rs 159 Lakhs (amount reported – Rs 2,650 Lakhs Vs amount as per books of account – Rs 2,809 Lakhs) and Rs 3 Lakhs (amount reported – Rs 2,876 Lakhs Vs amount as per books of account – Rs 2,878 Lakhs) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024.

Further, Inventory had a difference of Rs 8 Lakhs (amount reported to Bank-Rs 4,099 Lakhs Vs amount per books of account- Rs 4,108), Rs 47 Lakhs (amount reported to Bank – Rs 4,280 Lakhs Vs amount per books of account – Rs 4,327 Lakhs), Rs (-) 118 Lakhs (amount reported to Bank – Rs 4,018 Lakhs Vs amount per books of account – Rs 3,900 Lakhs) and Rs 0 Lakhs (amount reported to Bank – Rs3,293 Lakhs Vs amount per books of account – Rs 3,293 Lakhs ( Excluding “Raw Material in Transit” shown in Note no 9.)) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024.

Further, Creditors had a difference of Rs 14 Lakhs (amount reported to Rs. 1,471 Lakhs Vs amount per books of account- Rs 1,485), Rs (-) 32 Lakhs ( amount reported – Rs 2,225 Lakhs Vs amount per books of account – Rs 2,193 Lakhs) Rs. (-)202 (amount reported – Rs 1904 Lakhs Vs amount per books of account – Rs 1701 Lakhs), Rs.6 Lakhs (amount reported – Rs 1113 Lakhs Vs amount per books of account – Rs 1119 Lakhs) (Excluding “Raw Material in Transit” creditors shown in Note no 9.) ( Lakhs or quarter ended 30 June 2023 and 30th September 2023 and 31st December 2023 and 31st March 2024.

Further that, Turnover had a difference of Rs 298 Lakhs (amount reported to Bank-Rs 8511 Lakhs Vs amount per books of account- Rs 8213 Lakhs, Rs.452 Lakhs (amount reported to Bank – Rs 8645 Lakhs Vs amount per books of account – Rs 8193 Lakhs), Rs 371 Lakhs (amount reported to Bank– Rs7487 Lakhs Vs amount per books of account – Rs 7,116 Lakhs) and Rs 356 Lakhs (amount reported to Bank – Rs 7551 Lakhs Vs amount per books of account – Rs 7195 Lakhs) for quarter ended 30 June 2023, 30 September 2023, 31st December 2023 and 31st March 2024 the difference is due to Inter-unit sales not excluded while submitted it to the Bank.

The overall impact on Working capital based on figures as per books of account as compared to the reported figures is, a Decrease in working capital by Rs. (-) 47 lakhs and Rs. (-)8 Lakhs as of 30th June and 30th September 2023 and an increase in working capital by Rs 54 Lakhs and Rs. 345 Lakhs and 31st December and 31st March 2024 and respectively.

- (x) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (xi) The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (xii) There are no charges or satisfaction of Charges yet to be registered with Registrar of Companies beyond the statutory period.
- (xiii) The Company have a subsidiary , hence the provision with regard to compliance with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are applicable to the company.
- (xiv) During the year under report no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xv) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (xvi) The company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (xvii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (xviii) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (xix) The Company has not received any Government Grant or Subsidy during the year.

xx) Details Corporate Social Responsibility (CSR)	FY -2023-24	FY -2022-23
a) amount required to be spent during the year,	25.02 Lakhs	40.30 Lakhs
b) amount of expenditure incurred,	31.83 Lakhs	40.30 Lakhs
c) excess /(short fall ) in amount spent at the end of the year	06.81 Lakhs- Excess	Nil
d) total of previous years shortfall,	Nil	Nil
e) amount available for set off in succeeding financial year	06.81 Lakhs- Excess	NA
f) nature of CSR activities :	Education, skilling, health, environmental sustainability, Conservation of Water	Meditation Centre and Education
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	07.80 Lakhs M/s Bagla Foundation	28.50 Lakhs M/s Bagla Foundation
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.		

xxi) Ratio's

Name of the Ratio	Formula	2023-24	2022-23	% change	Reason for change
(a) Current Ratio	Current Assets/Current Liabilities	0.97	1.00	-0.03	No Significant Change
(b) Debt-Equity Ratio	Total debt/Shareholder's Equity	0.91	1.11	-0.20	Due to increase in retained earnings
(c) Debt Service Coverage Ratio	Net Operating Income/ Debt Service	1.46	0.92	0.53	Due to increase in retained earnings
(d) Return on Equity Ratio	Net Income/ Shareholder's Equity	21.62	8.14	13.48	Due to increase in earnings
(e) Inventory turnover ratio	COGS/Average Inventory	4.81	4.98	-0.17	No Significant Change
(f) Trade Receivables turnover ratio	Net credit Sales/ Ave. Trade Receivable	9.25	8.77	0.47	Due to better collection
(g) Trade payables turnover ratio	Net credit purchase/ Ave. Trade payable	11.44	13.67	-2.23	Due to better payment
(h) Net capital turnover ratio	Net Sales/Avg Working Capital	-290.63	102.54	-393.16	Increase in Current Liabilities
(i) Net profit ratio	Net profit/Total Revenue	5.39	1.51	3.88	Due to increase Turnover with Increase margin
(j) Return on Capital employed	EBIT/Capital Employed	29.43	13.58	15.85	Due to increase in earnings
(k) Return on investment	Income earn on Investment/ Value of the Investment	NA	NA	NA	NA



## xxii) Trade Receivable Ageing Schedule

## Current Reporting Period

Particulars	> 6 Months	< 6 Months > 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	3,974.40	12.82	0.82	-	5.80	3,993.85
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk.	-	-	-	-	-	-
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
	3,974.40	12.82	0.82	-	5.80	3,993.85
Less: Allowance for Doubtful Trade Receivable	-5.80	-5.80				
<b>Total Receivables</b>	<b>3,974.40</b>	<b>12.82</b>	<b>0.82</b>	<b>-</b>	<b>-</b>	<b>3,988.05</b>

## Previous Reporting Period

Particulars	> 6 Months	< 6 Months > 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	2,494.97	16.44	79.85	0.07	-	2,591.33
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
	2,494.97	16.44	79.85	0.07	-	2,591.33
Less: Allowance for Doubtful Trade Receivable	-	-	-	-	-	-
<b>Total Receivables</b>	<b>2,494.97</b>	<b>16.44</b>	<b>79.85</b>	<b>0.07</b>	<b>-</b>	<b>2,591.33</b>

Note: Trade receivable includes due from related party M/s Bagla LLC , USA Rs.2,11,41,870/ ( Previous year Rs. 28,69,502)

## xxiii) Trade payables Ageing Schedule

## Current Reporting Period

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	649.09	0.02	-	-	-	649.11
ii) Others	1,562.93	11.82	4.69	241.88	13.92	1,835.24
iii) Disputed dues-MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
	<b>2,212.02</b>	<b>11.84</b>	<b>4.69</b>	<b>241.88</b>	<b>13.92</b>	<b>2,484.35</b>

## Previous Reporting Period

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	495.30	0.00	0.21	-	0.08	495.59
ii) Others	1,956.68	16.03	9.16	3.51	12.68	1,998.05
iii) Disputed dues-MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
	<b>2,451.97</b>	<b>16.03</b>	<b>9.38</b>	<b>3.51</b>	<b>12.76</b>	<b>2,493.65</b>

## xxiv) Disclosure of Loans or Advances granted to Promoters, Directors, KMP's and the related Parties

Type of Borrower	Amount of Loan or Advance Current year	% to the total Loans and Advances	Amount of Loan or Advance Previous year	% to the total Loans and Advances
Promoter	NIL	NA	NIL	NA
Directors	NIL	NA	NIL	NA
KMPs	NIL	NA	NIL	NA
Related Parties	NIL	NA	10,000,000	100%

- 38 Balance with Indian Bank- Ahmadabad Rs.15,150 having no transactions during the year is subject to Confirmation.
- 39 Accrued benefits of duty free imports available to the company in form of transferable import licenses for completed export obligations, which are utilized / availed for own imports in subsequent financial year, have not been accounted for as the same has no impact on financial statements of the company.
- 40 In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and advances including amount recoverable from Income Tax, Goods and Service tax , Central Excise, Service Tax, VAT and deferred credit from suppliers all are in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet, all these debit/credit balances are subject to confirmations and adjustments, if any. The management is hopeful of recovering the debit balances, which are outstanding since a long.
- 41 The Roorkee Unit of Company has been registered under the Central Capital Subsidy Scheme 2003. The Company has received Capital Subsidy amounting to Rs.30.00 lacs during 2014-15 under the said scheme credited to capital reserves.

**42 Earnings per share (EPS):**

Particulars	2023-24	2022-23
Profit after Tax (Rs. in Lacs)	1,640.61	486.15
Average number of Equity Shares (Face Value of Rs.10)	51.16	51.16
Basic and Diluted EPS (in Rupees per Share)	32.07	9.50

43 There are no separately reportable segments in terms of IND AS-108.

44 Amount paid to Directors as remuneration:

**A. Managing Director**

Particulars	2023-24	2022-23
No. of Persons	One	One
Salary & Allowances (see note no. 45)	90	72
Perquisites	30	30

**B. Whole Time Director**

Particulars	2023-24	2022-23
No. of Persons	Three	Three
Salary & Allowances (see note no. 45)	21.75	20.58
Contribution to P.F & other funds	0.82	0.82
Perquisites	5.98	4.08

45 Details of Employee Benefits as per IND AS -19 are as follows:

**(A) Defined contribution Plans**

The Company has recognized the following amounts in the profit and loss account:

PARTICULARS	2023-24	2022-23
Contribution to Provident Fund and Family Pension Fund	53.59	52.77
Employers Contribution to Employees State Insurance Scheme	6.24	6.21

**(B) Defined Benefit Plan (unfunded)****(a) A General description of the employees Benefit Plan:**

The Company has obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

(b) Details of defined benefit plan as per Actuarial Valuation are as follows:

I. Components of employer expenses Charged in Defined Benefit Obligation during the year.

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Current Service Cost	19.71	17.55	1.90	4.00
Interest Cost	13.93	13.29	0.76	0.70
Past service cost	0	0	0	0
Actuarial Losses (Gains)	2.42	(9.19)	(2.90)	(3.41)
<b>Total Expenses recognized</b>	<b>36.07</b>	<b>21.65</b>	<b>(0.24)</b>	<b>1.28</b>

II. Net Asset/ (Liability) recognized in the Balance sheet

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Present Value of Defined Benefit Obligation	210.25	192.16	7.97	10.52
Net Asset / (Liability) recognized in the Balance Sheet	210.25	192.16	7.97	10.52

III. Charge in Defined Benefit Obligation during the year.

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Present value of defined Benefit obligation at the beginning of year	192.16	183.27	10.52	9.66
Current Service Cost	19.71	17.55	1.90	4.00
Interest Cost	13.93	13.29	0.76	0.70
Past service cost	-	-	-	-
Actuarial Losses/(Gains)	2.42	(9.19)	(2.90)	(3.41)
Benefits paid	(17.98)	(12.75)	(2.31)	(0.42)
Present value of Defined Benefit obligation at the end of year	210.25	192.16	7.97	10.52

IV. Actuarial Assumptions

Particulars	2023-24	2022-23
Discount Rate	7.25%	7.50%
Salary escalation Rate	5.00%	5.00%

V. The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factor.

**46 Related Party Disclosure as per IND AS-24 (As certified by the Management):**
**A) List of Related Parties**
**1 Where Control Exist:**
**Wholly owned Subsidiary Company: One**

Bagla Technopack Private limited w.e.f. 03-01-2024

**Others**

Hindustan Foils Ltd.

Bagla Wellness Private Limited

Agarwal Tracom Pvt. Ltd.

Bagla Polifilms Ltd.

Bagla Tecvision Private limited

**2 Key Management Personal:**

Mr. Madhu Sudan Bagla - Managing Director

Mr. Suresh Sridhar Ajila - Whole time Director

Mrs. Urmila Goenka - Whole time Director

Mr. Ashok Kumar Pathak - Whole time Director

Mr. Nakul M Bagla - CFO

Mr. Amit Kumar Jha - Company Secretary

**3 Relative of Key Management Personnel (With whom transactions taken place during the year)**

Mr. Lalit Kumar Bagla - Father of Managing Director

Mrs. Anju Bagla - Wife of Managing Director

Mr. Dhruv Bagla - Son of Managing Director

Mrs. Surbhi Bagla - Wife of CFO

Mrs. Gayathri Ajila - Wife of Whole time Director

**4 Others**

Shree Shree Ishwar Satya Narayanjee &amp; Other Deities

Bagla Foundation

Bagla Polifilms LLC

**B). Transactions with Related Parties:**

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
<b>Where Control Exists</b>					
<b>Bagla Polifilms Ltd</b>	Loan Taken	50.00	235.00	(50.00)	-
	Loan Repaid	-	235.00	-	-
	Purchase Goods	484.72	424.61	-	-
	Sales of Goods	363.08	321.44	-	-
	Interest Received	-	3.06	-	-
	Reimbursement	47.38	7.55	-	-
<b>Bagla Techvision (P) Ltd</b>	Repayment of Loan	45.00	37.90	-	-
	Repayment of Given	45.00	-	-	-
	Purchase of Shares	43.59	20.40	-	-
	Interest Received	0.28	-	-	-
	Reimbursement	0.50	-	-	-

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
<b>Bagla Technopack (P) Ltd</b>	Advances Given	-	-	-	-
	fee for Corporate Guarantee	48.03	-	48.03	-
	Loan Given	450.00	140.00	-	100.00
	Interest Received	13.30	2.88	-	-
	Purchase of Shares	1,129.00	137.00	-	-
	Reimbursement	5.08	-	-	-
<b>Bagla Wellness (P) Ltd.</b>	Reimbursement Paid / Received	-	2.66	-	-
	Loan Given	15.00	-	15.00	-
	Advance Returned	5.54	-	-	-
<b>Agarwal Tracom (P)Ltd</b>	Rent Paid	1.80	1.80	-	-
	Reimbursement Paid / Received	1.71	-	-	-
	Security Deposit	(2.50)	-	26.00	28.50
<b>Key Management Personal</b>					
<b>Mr. Madhusudan Bagla</b>	MD Remuneration	120.00	102.00	-	(0.49)
	Loans Taken	275.00	145.00	-	(29.00)
	Loan Returned	304.00	116.00	-	-
	Rent Paid	39.00	39.00	-	-
	Security Deposit Given	10.50	-	30.00	19.50
<b>Mr. Suresh Ajila</b>	Director's Remuneration	10.08	9.48	(0.38)	(0.40)
<b>Mrs. Urmila Goenka</b>	Director's Remuneration	3.60	3.60	-	-
<b>Mr. Ashok Pathak</b>	Director's Remuneration w.e.f 26/08/2021	12.66	13.46	(0.55)	(0.62)
	Education Sponsorship	2.20	-	-	-
<b>Mr. Nakul Bagla</b>	CFO Remuneration	75.00	75.00	-	-
	Rent Paid	15.00	15.00	-	-
	Advance Salary	-	-	-	-
	Security Deposit	17.50	-	25.00	7.50
<b>Relative of Key Management Personal</b>					
<b>Mr. Dhruv Bagla</b>	Rent Paid	15.00	15.00	-	-
	Salary paid	30.00	30.00	(0.15)	-
	Security Deposit	25.00	-	25.00	-
<b>Mrs. Gayatri Ajila</b>	Commission	8.57	11.26	-	-
	Rent Paid	6.54	6.08	-	-
	Office Maintenance	3.82	3.56	-	-
	Security Deposit Given	-	-	10.00	10.00
<b>Mrs. Anju Bagla</b>	Salary	28.80	28.80	-	-
<b>Mrs. Surbhi Bagla</b>	Professional Fee	12.00	5.00	(0.90)	-
	Other Services	1.04	-	-	-

(Rs in Lakhs)

Type/Name of the Related party	Nature of Transaction	Volume of Transactions		Amt. Payable/ (Recoverable)	
		2023-24	2022-23	2023-24	2022-23
Ms. Shailja Pathak	Commission	-	1.63	-	-
Mr. Lalit Kumar Bagla	Reimbursement Paid / Received	3.77	-	-	-
Mrs. Puja Pathak	Commission	6.01	5.06	-	-
Bagla Foundation	Donation for CSR	7.80	28.50	-	-
	Reimbursement Paid / Received	0.06	0.30	-	-
M S BAGLA (HUF)	Reimbursement	-	-	-	-
Shree Shree Ishwar Satya Narayanjee & Other Deities	Reimbursement Paid / Received	0.04	0.29	-	-
	Advance Given	-	-	-	-
Amit Kumar	Sitting Fees	0.50	0.30	-	-
Pawan Kumar Gupta	Sitting Fees	0.30	0.40	-	-
Ravi Kumar Agarwal	Sitting Fees	0.15	0.18	-	-
Sudeep Pande	Sitting Fees	0.40	0.45	-	-
SS Dua	Salary	-	0.30	-	-
SNEHA	Salary	-	0.44	-	-
AMIT JHA	Salary	1.32	0.50	-	-
Surya Consumer Goods Pvt Ltd	Reimbursement Paid / Received	0.08	0.09	-	-
Bagla Polifilms LLC	Purchase	7.94	-	(7.94)	-
	Sales	270.29	28.90	163.16	28.70

## 47 Derivative Instruments and un-hedged Foreign Currency disclosure

Particulars	2023-24			2022-23		
	Rs.	Value in Foreign Currency		Rs.	Value in foreign Currency	
Export Sales / return of equipment's purchased	2,596.62	USD	31.47	961.51	USD	11.82
	34.53	Euro	0.39	56.85	Euro	0.67
Advance for Machines/store items	2.36	USD	0.03	-	Euro	-
Import- Capital goods	132.29	Euro	1.44	-	-	-
	-	-	-	-	USD	-
Advance for Material	73.34	USD	0.89	83.15	USD	1.02
	141.73	Euro	1.54	-	Euro	-
<b>Total</b>	<b>2,672.32</b>	<b>USD</b>	<b>32.39</b>	<b>1,044.66</b>	<b>USD</b>	<b>12.84</b>
	<b>308.55</b>	<b>Euro</b>	<b>3.37</b>	-	<b>GBP</b>	-
	-	-	-	56.85	Euro	0.67

Particulars	2023-24			2022-23		
	Rs.	Value in Foreign Currency		Rs.	Value in foreign Currency	
<b>Receivables</b>						
Import- Material	1,014.85	USD	12.02	165.61	USD	2.00
	1.62	Euro	0.02	1.93	Euro	0.02
	-	-	-	4.10	GBP	0.04
Import- Store	3.83	Euro	0.04	-	-	-
Advance Received - Customer	875.10	USD	10.39	640.00	USD	7.72
	398.58	Euro	4.34	65.36	Euro	0.72
<b>Total</b>	<b>1,889.95</b>	<b>USD</b>	<b>22.41</b>	<b>805.61</b>	<b>USD</b>	<b>9.72</b>
	<b>400.20</b>	<b>Euro</b>	<b>4.36</b>	<b>67.29</b>	<b>Euro</b>	<b>0.74</b>
	-	<b>GBP</b>	-	<b>4.10</b>	<b>GBP</b>	<b>0.04</b>

- 48 Figures of previous year have been re-grouped/re-arranged/re-cast wherever considered necessary.
- 49 Figures in brackets represent previous year figures.
- 50 The above audited results for the quarter and year ended 31st March, 2024 has been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 30 May, 2024
- 50 The above audited results for the quarter and year ended 31st March, 2024 has been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 30 May, 2024

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Firm Regn. No. 302113E

**For and on behalf of the Board of Directors**

**CA KAMALKUMRA GUPTA**  
Partner  
Membership No. 089190

**(Amit Kumar)**  
Director  
DIN 06902856

**(M. S. BAGLA)**  
Mg. Director  
DIN 01425646

**(Amit Kumar Jha)**  
Company Secretary  
M. No.ACS65302

**(N. M. BAGLA)**  
CFO

Place: New Delhi  
Date: 30-05-2024  
UDIN : 24089190BKEYMZ1309





Bagla Group

If Undelivered please return to :

**HINDUSTAN ADHESIVES LIMITED**

**Regd. Office :** B-2/8, Safdarjung Enclave,  
New Delhi-110029