



ACKNIT INDUSTRIES LIMITED

**Annual Report And Accounts
2023-24**

ACKNIT INDUSTRIES LIMITED

CIN : L01113WB1990PLC050020

Annual Report 2023-24

BOARD OF DIRECTORS

Mr. Shri Krishan Saraf

-Managing Director

Mr. Deo Kishan Saraf

-Whole-Time Director

Mr. Abhishek Saraf

-Whole-Time Director

Mrs. Rashi Saraf

-Non-Executive Non-Independent Director

Mr. Rajarshi Ghosh

-Non-Executive Independent Director

Mr. Mukul Banerjee

-Non-Executive Independent Director

Mr. Jadav Lal Mukherjee

-Non-Executive Independent Director

Mr. Shankar Lal Bajaj

-Non-Executive Independent Director

CHIEF FINANCIAL OFFICER (CFO)

Mr. Bishnu Kumar Kesan

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ravi Kumar Bahl

AUDITORS

SRB & Associates

Chartered Accountants

A-3/7, Gillanders House,

8, N.S. Road, Kolkata- 700 001

BANKERS

State Bank of India

Bank of Baroda

REGISTERED OFFICE

"Ecostation", Block - BP, Plot No. 7, Sector - V

5th Floor, Suit No. 504, Salt Lake, Kolkata - 700 091

Ph : (033) 2367-5555

E-mail : calcutta@acknitindia.com

Website : www.acknitindia.com

REGISTRAR & SHARE TRANSFER AGENT

S. K. Infosolutions Pvt. Ltd.

D/42, Katju Nagar Colony, Ground Floor,

PO & PS - Jadavpur, Kolkata - 700 032

Telephone No.- (033) 2412 0027/0029

E-mail: contact@skcinfo.com/skcdilip@gmail.com

Website: www.skcinfo.com



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**NOTICE OF THE 34TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 34th Annual General Meeting of ACKNIT INDUSTRIES LIMITED will be held on Wednesday, the 18th day of September, 2024 at 12:40 p.m at 'GYAN MANCH', 11, Pretoria Street, Kolkata – 700071 to transact the following businesses:-

ORDINARY BUSINESS :**Item No. 1****Adoption of Audited Financial Statements for the Financial Year ended 31st March, 2024**

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

Item No. 2**Declaration of dividend for the Financial Year ended 31st March, 2024**

To declare dividend of ₹1.50 per equity shares of ₹10 each for the Financial Year ended 31st March, 2024.

Item No. 3**Appointment of a Director in place of Mr. Abhishek Saraf (DIN: 00129144), who retires by rotation and being eligible, offers himself for re-appointment**

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

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Abhishek Saraf (DIN: 00129144), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS :**Item No. 4****Approval for Material Related Party Transaction(s)**

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

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into any contract(s)/arrangement(s)/ transaction(s) with parties as detailed in the table forming part of the Explanatory Statement annexed to the Notice of the 34th Annual General Meeting of the Company with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related parties to any office or place of profit in the Company or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Annual Turnover of the Company of the preceding financial year or such other threshold limits as may be specified by the Act and/or Listing Regulations from time to time, up to such extent and on such terms and conditions as specified in the Explanatory Statement annexed to the Notice of the 34th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary of the Company be and are hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

By Order of the Board of Directors

For Acknit Industries Limited

sd/-

Ravi Kumar Bahl

Place: Kolkata

Company Secretary & Compliance Officer

Date: 09-08-2024

M.No.: F1962

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to Item No. 4 forms part of this Notice. Additional information, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings in respect of Directors seeking re-appointment(s) at the Annual General Meeting is also furnished hereof. The Director has furnished requisite declaration for his re-appointment.
3. Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 12th September, 2024 to Wednesday, 18th September, 2024 (both days inclusive) for payment of dividend on equity shares for the Financial Year ended 31st March, 2024.
5. The dividend for the Financial Year ended 31st March, 2024, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, will be paid to those shareholders whose names appear in the register of members/statement of beneficial ownership furnished by the depositories as on the close of business hours on Wednesday, 11th September, 2024, as per the mandate registered with the Company or with their respective Depository Participants. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the bank account details, the Company shall dispatch the dividend warrants/draft to such shareholders by post.

Shareholders are requested to provide bank details to facilitate payment of dividend, etc., either in electronic mode or for printing on the payment instruments in compliance with SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018.

6. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making payment of the final dividend. In order to enable us to determine the appropriate TDS rate in compliance with TDS requirements, members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the RTA's email address – skcdivit@gmail.com or to the Company's email address – cs@acknitindia.com.
7. Members desirous of asking any questions at the 34th Annual General Meeting of the Company shall write to the Company at least 10 days in advance, so as to enable the management to keep the information ready at the meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Accounts Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
9. Those members who have so far not en-cashed their dividend warrants/draft for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will become due to be transferred to the "Investor Education and Protection Fund" established under section 125(1) of the Companies Act, 2013 on the respective dates mentioned there against. Kindly note that after such transfer, the members will not be entitled to claim such dividend from the Company.

Financial year ended	Last date of claiming unpaid dividend
31.03.2017	22.10.2024
31.03.2018	30.10.2025
31.03.2019	24.10.2026
31.03.2020	02.11.2027
31.03.2021	31.10.2028
31.03.2022	01.11.2029
31.03.2023	31.08.2030

The shareholders are further intimated herein that pursuant to the provisions of Section 124(5) & 124(6) of the Companies Act, 2013 read together with the Rules made thereunder, all dividends and associated shares for which no dividend has been paid/claimed by the shareholders of the Company for a period of 7(seven) consecutive years shall be, by virtue of the provisions of the above section, transferred to the Investor Education and Protection Fund.



10. The Company has implemented the "GREEN INITIATIVE" as per circular nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) by allowing paperless compliances by the Companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013. Henceforth, the e-mail addresses indicated in your respective depository participant accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered e-mail address for serving notices/documents etc. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA/Depositories for receiving all communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
11. **Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, transfer of shares in physical form by a shareholder is restricted with effect from 1st April, 2019. Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, the Company shall process the requests of transmission/transposition of securities only in dematerialised form. In view of the regulatory requirements, shareholders holding shares in physical form are requested to arrange the dematerialization of their shares at earliest. Guidelines of Dematerialisation of Shares is uploaded on the Company's website www.acknitindia.com.**
12. Electronic copy of the Annual Report for the Financial Year 2023-24 along with the notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report for the Financial Year 2023-24 is being sent in the permitted mode.
13. The Notice of Annual General Meeting along with the Annual Report of the Company for the Financial Year 2023-24 will also be displayed on the website of the Company viz. www.acknitindia.com.

14. Documents referred to in the Notice are available for inspection by the members at the Registered Office of the Company during business hours on any working day up to the date of Annual General Meeting of the Company, with prior appointment.

Information and other instructions relating to e-voting are as under:

1. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Companies Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services arranged by National Securities Depository Limited ("NSDL"). The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting"). Instructions for e-voting are given herein below.
2. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
3. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Saturday, 14th September, 2024 at 09:00 A.M. and ends on Tuesday, 17th September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 11th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 11th September, 2024.



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





Step1: Access to NSDL e-voting system

A) Login method for E-voting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated July 11, 2023 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

Type of shareholders	Login Method
	<p>Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>



Important Note : Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login method for E-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

5. Your User ID details are given below :

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

6. Password details for shareholders other than Individual shareholders are given below :

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password' ?
 - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mail box. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail IDs are not registered.**

7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password :

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, PAN, name and registered address.
- d) Members can also use the OTP based login for casting the votes on the e-voting system of NSDL.

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. After you click on the "Login" button, home page of e-voting will open.

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is active.
2. Select "EVEN" of Company, for which you wish to cast your vote during the remote e-voting period.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify or modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rrekha1410@gmail.com with a copy marked to evoting@nsdl.com Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc by clicking on "Upload Board Resolution/ Authority Letter" displayed under 'e-voting' tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forget User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting

user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, and/or Mr. Amit Vishal, Deputy Vice President, NSDL at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company at cs@acknitindia.com or to the Company's RTA at skcdilip@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company at cs@acknitindia.com or to the Company's RTA at skcdilip@gmail.com.

If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

Other Instructions:

1. The remote e-voting period commences on Saturday, 14th September, 2024 (09.00 a.m. IST) and ends on Tuesday, 17th September, 2024 (05.00 p.m. IST). During this period, members of the Company, holding



- shares either in physical form or in dematerialised form, as on the cut-off date Wednesday, 11th September, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
2. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).
 3. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as per the Register of Members of the Company as on the cut-off date i.e. Wednesday, 11th September, 2024.
 4. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through ballot paper.
 5. Ms. Rekha Goenka, Practicing Company Secretary (Membership No. FCS-12590), has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the Annual General Meeting in a fair and transparent manner.
 6. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting to all those members who are present but have not cast their vote electronically using the remote e-voting facility.
 7. The Scrutinizer shall immediately after the conclusion of the Annual General Meeting, first count the votes casted at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and submit not later than 2 working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
 8. The Chairman or a person authorised by him in writing shall declare the result of voting forthwith.
 9. The Results of voting will be declared within 2 working days from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company www.acknitindia.com and on the website of NSDL. Such results will be displayed on the Notice Board at the Registered Office of the Company and shall also be forwarded to the concerned Stock Exchanges i.e. BSE Limited and The Calcutta Stock Exchange Limited.
- By Order of the Board of Directors
For Acknit Industries Limited**
- sd/-
Ravi Kumar Bahl
Company Secretary & Compliance Officer
- Place:** Kolkata **Date:** 09-08-2024 **M.No.:** F1962
- EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**
- Item No. 4**
- The members are apprised that Acknit Industries Limited enters into various contract(s)/arrangement(s)/transaction(s) in a regular interval with the below mentioned related parties which are in the ordinary course of business. With the expansion of business of Acknit Industries Limited in various arena the transaction value between the said parties might cross the threshold limit prescribed under Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus, the Board of Directors of the Company recommends the resolution set out in item No. 4 to be adopted by the members in the interest of the Company. The following disclosures are made in accordance with the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014:



Sl. No.	Name of the Related Party	Name of the director or key managerial personnel who is related, if any	Nature of relationship	Nature, material terms, monetary value and particulars of the contract or arrangements	Any other information relevant or important for the members to take a decision on the proposed resolution
1.	Acme Safety Wears Limited	Mr. Shri Krishan Saraf, Managing Director, Mr. Deo Kishan Saraf, Whole-time Director, Mr. Abhishek Saraf, Whole-time Director and Mrs. Rashi Saraf, a Non-Executive Non-Independent Director	Company where there is significant influence	Sales/purchases of goods or materials as well as render/avail of services to/from Acme Safety Wears Limited. The value of such contracts during the Financial Year 2023-24 was ₹ 3056.50 lakhs.	The contract(s)/ arrangement(s)/ transaction(s) with the related parties with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related parties to any office or place of profit in the Company or any other transactions of whatever nature, shall be governed by the Company's Related Party Transaction Policy and shall be approved by the Audit Committee within the overall limits approved by the members. The contract(s)/ arrangement(s)/ transaction(s) shall be based on negotiations whose terms and conditions shall satisfy arm's length criteria.
2.	Safewell Industries	Mr. Shri Krishan Saraf, Managing Director and Mr. Abhishek Saraf, Whole-time Director	Proprietorship firm of a Director's relative	Sales/purchases of goods or materials to/ from Safewell Industries. The value of such contracts during the Financial Year 2023-24 was ₹ 608.91 lakhs.	
3.	Radiant Leather Pvt. Ltd.	Mr. Shri Krishan Saraf, Managing Director	Mr. Shri Krishan Saraf, Managing Director is a Member in Radiant Leather Pvt Ltd..	Sales/ purchases of goods or materials as well as avail/render of services from/to Radiant Leather Pvt Ltd. The value of such contracts during the Financial Year 2023-24 was ₹ 195.92 lakhs.	
4.	Century Safetywears Pvt. Ltd.	Mr. Shri Krishan Saraf, Managing Director, Mr. Deo Kishan Saraf, Whole-time Director and Mr. Abhishek Saraf, Whole-time Director	Private Company in which a Director and/or his relative is a Director and/or member.	Avail of service from Century Safety Wears Pvt. Ltd. The value of such contracts during the Financial Year 2023-24 was ₹ 16.80 lakhs.	
5.	Rosinate India Company	Mr. Deo Kishan Saraf, Whole-time Director	Proprietorship firm of Mr. Deo Kishan Saraf, Whole-time Director	Avail of service from Rosinate India Company. The value of such contracts during the Financial Year 2023-24 was ₹ 8.61 lakhs.	
6.	Aditya Saraf	Mr. Shri Krishan Saraf, Managing Director and Mr. Abhishek Saraf, Whole-time Director	Aditya Saraf belongs to the Promoter Group and is a relative of Mr. Shri Krishan Saraf, Managing Director and Mr. Abhishek Saraf, Whole-time Director	Avail of service from Aditya Saraf. The value of such contracts i.e. rent paid to Aditya Saraf during the Financial Year 2023-24 was ₹ 3.00 lakhs.	
7.	Acme Industrial Corporation	Mr. Abhishek Saraf, Whole-time Director	Proprietorship firm of Mr. Abhishek Saraf, Whole-time Director.	Sales/purchases of goods or materials to/ from Acme Industrial Corporation. The value of such contracts during the Financial Year 2023-24 was ₹ 85.07 lakhs.	

Thereby, the Board of Directors recommends to pass the resolution set out in Item No. 4 i.e. Approval for Material Related Party Transaction(s) with the abovementioned related parties to the extent of not exceeding 30% of annual turnover of the immediately preceding financial year, as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives, other than as mentioned above is interested or concerned, in the resolution set out in Item No.4.

**Details of Director seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

Particulars	Mr. Abhishek Saraf
DIN	00129144
Date of birth	03/07/1980
Date of first Appointment	28/05/2022
Brief resume	Mr. Abhishek Saraf holds B.Com (Hons) degree from the University of Calcutta. Prior to his appointment as a Whole-time Director, he was associated with Acknit Industries Limited as Vice President (Marketing), Leather Division for more than 15 years. Prior to his exposure in Acknit Industries Limited, he had further experience of approximately 6 years in other entities, making his total experience of approximately 24 years.
Expertise in specific, general, functional area	Business Development, Financial Analysis, Product Identification, Production, Marketing and Vendor Handling
Qualification	B.Com (H)
Relationship with other Directors	Son of Mr. Shri Krishan Saraf, Managing Director and spouse of Mrs. Rashi Saraf, Non-Executive Non-Independent Director of the Company.
Directorship in other listed Companies	Nil
Chairman/ Member in the Committees of the Boards of other listed companies	Nil
Shareholding in the Company	143914 Equity shares

Place: Kolkata

Date: 09-08-2024

**By Order of the Board of Directors
For Acknit Industries Limited**

sd/-
Ravi Kumar Bahl
Company Secretary & Compliance Officer
M.No.: F1962

ROUTE MAP





DIRECTORS' REPORT

FINANCIAL HIGHLIGHTS

The Financial Statements for the year ended 31st March, 2024 have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The summarized results of your Company are given in the table below:

(₹ in Lakhs)

Particulars	Financial Year Ended 31.03.2024	Financial Year Ended 31.03.2023
Gross Revenue	22,065.73	23,846.87
Other Income	24.79	6.70
Total Revenue	22,090.52	23,853.57
Less: Total Expenditure	20,376.90	22,028.24
Gross Profit (before Depreciation & Finance Cost)	1,713.62	1,825.33
Less: Depreciation	329.34	331.51
: Finance Cost	238.44	280.09
Profit Before Tax (PBT)	1,145.84	1,213.73
Less: Provision for Income Tax	293.05	311.44
: Deferred Tax	(2.41)	0.28
Profit After Tax (PAT)	855.20	902.01
Other Comprehensive Income net of tax	31.50	10.32
Total Comprehensive Income	886.70	912.33

SUMMARY OF OPERATIONS

During the financial year total revenue has decreased from ₹ 23,853.57 Lakhs to ₹ 22,090.52 Lakhs i.e. by ₹ 1,763.05 Lakhs equivalent to decrease by 7.39% over the previous year. PAT for the Financial Year 2023-24 was ₹ 855.20 Lakhs as against ₹ 902.01 Lakhs in the previous Financial Year 2022-23. The total comprehensive income for the year was ₹ 886.70 Lakhs as against ₹ 912.33 Lakhs in the previous year.

SEGMENT-WISE PERFORMANCE

From the very inception, the Company's main activity is concentrated in the production and export of Industrial Safety Gloves which are considered essential elements in minimizing health related risk at work places for over three decades. The Company gradually diversified its product range to include leather/cotton/synthetic, coated and dotted industrial gloves, as well as industrial safety garments and children's garments, safety shoes, helmets, safety belts, etc.

The Company's manufacturing and business activities are broadly divided into four (4) distinct segments. They are -

1. Manufacturing of Hand Gloves of various materials and diverse qualities for industrial safety modules for both export and domestic markets;
2. Manufacturing of both industrial safety garments and readymade garments in bulk for both export as well as for domestic markets;
3. Power generation by operation of wind mills to supply on commercial base; and
4. Procurement, part processing and supply of non-conventional industrial safety gears in domestic market and in export.

Hand Gloves:

This is the oldest segment with which the Company commenced its journey of business operations and it is still the main revenue earner for the Company. In the year under review, the total Revenue receipt from this segment was ₹ 12,605.81 Lakhs as against ₹ 14,710.19 Lakhs in the previous year. The segment result for the current fiscal year marginally decreased from ₹ 1,410.71 Lakhs to ₹ 1,349.70 Lakhs.

Garment:

This segment deals in domestic market as well as export and registered decrease in revenue earnings from ₹ 8,091.14 Lakhs to ₹ 7,310.69 Lakhs with surplus being decreased by 17.22 % from ₹ 456.22 Lakhs to ₹ 377.66 Lakhs as compared to previous year.

Power Generation:

Revenue from this segment was increased from ₹ 38.91 Lakhs to ₹ 43.11 Lakhs thereby decreased loss from ₹ 7.73 lakhs to ₹ 5.88 Lakhs during the period under review as compared to previous year.

Others Non- Conventional Segment:

This is the new segment started few years back with prospective risk of minimum loss. The working experience and viability study has so far revealed immense prospect in a properly organized operation of the segment. During the year under review, this segment has witnessed a profit of ₹ 77.70 Lakhs as against ₹ 8.76 Lakhs in the previous year. In the reporting year, the revenue has increased to ₹ 2,106.12 Lakhs from ₹ 1,006.63 Lakhs in the previous year.

DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 1.50 per equity share of ₹ 10/- each for the Financial Year 2023-24 i.e. 15% on the paid-up equity share capital of the Company, subject to deduction of tax at source ("TDS") at applicable rates. The proposed dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company and it would result in appropriation of ₹ 45.60 Lakhs (gross amount). Your Company retains the extra profit for future plans.

RESERVES

Your Company proposes to transfer a sum of ₹ 600.00 Lakhs to the General Reserve and carry forward a balance of ₹ 935.84 Lakhs in the retained earnings.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

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

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provision of Section 124(5) of the Companies Act, 2013 your Company has transferred ₹ 0.86 lakhs during the Financial Year 2023-24 to the Investor Education and Protection Fund. This amount was lying unpaid/ unclaimed with the Company for a period of seven years after declaration of dividend for the Financial Year 2015-16.

Further, the Company has also transferred 100 equity shares to the Investor Education and Protection Fund pursuant to the provision of Section 124(6) of the Companies Act, 2013 during the Financial Year 2023-24, in respect of which dividend has not been paid or claimed for 7(seven) consecutive years or more.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year 2023-24 and the date of this Report.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year 2023-24, there has been no change in the nature of business of the Company.

SHARE CAPITAL

During the year, the Company did not issue/allot any Shares/Securities.

As on 31st March, 2024, the issued and subscribed capital of your Company stood at ₹ 352 Lakhs. The paid-up Capital of your Company stood at ₹ 304 Lakhs comprising of 30,40,000 equity shares of ₹ 10/- each fully paid.

4,00,000 equity shares of the company held by the promoters were kept on lien by the financial institution which were released during the financial year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board consists of the following persons:

Key Managerial Personnel

- 1) Mr. Shri Krishan Saraf – Managing Director
- 2) Mr. Deo Kishan Saraf – Whole-time Director
- 3) Mr. Abhishek Saraf – Whole-time Director
- 4) Mr. Bishnu Kumar Kesan – Chief Financial Officer
- 5) Mr. Ravi Kumar Bahl – Company Secretary & Compliance Officer

Non-Executive Non-Independent Director

- 1) Mrs. Rashi Saraf

Non-Executive Independent Directors

- 1) Mr. Mukul Banerjee
- 2) Mr. Jadav Lal Mukherjee
- 3) Mr. Rajarshi Ghosh
- 4) Mr. Shankar Lal Bajaj

None of the Directors of the Company is disqualified from being appointed as Directors under the provisions of section 164(2) of the Companies Act, 2013.

The Independent Directors have furnished requisite declarations pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming their respective independence status.

Mr. Jadav Lal Mukherjee (DIN:06421227), a Non-Executive Independent Director of the Company was re-appointed for the second term of 3 (three) consecutive years, with effect from 30th May, 2023 by the members of the Company in its 33rd Annual General Meeting held on 27th July, 2023.

In accordance with the provisions of Companies Act, 2013 and the Company's Articles of Association, Mr. Abhishek Saraf (DIN: 00129144), Whole-time Director of the Company, will be subject to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 12th February, 2024 has approved re-appointment of Mr. Shri Krishan Saraf (DIN:00128999) as the Managing Director of the Company w.e.f. 01st April, 2024 for a further period of 3(three) years, subject to the approval of members at the ensuing general meeting.

Resolutions for approval of re-appointment of Mr. Abhishek Saraf (DIN: 00129144) forms part of the notice of the ensuing 34th Annual General Meeting.

FORMAL ANNUAL EVALUATION

The ultimate responsibility for good governance and prudent management of a Company lies with the Board of Directors of the Company. The Board is expected to exercise continuous proactive and effective decision making and implementation thereof with a view to achieve the desired goal. In this connection, the Nomination and Remuneration Committee had set out a framework of guidelines for the Board of Directors to undertake continuous evaluation of the performance of the Directors of the Company while affirming the desired destination. The Board of Directors as a whole is required to display its commitment to Good Governance ensuring a constant improvement of processes and procedures, wherein each individual member of the Board is committed to contribute his best in the overall growth of the organisation.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2023-24, the Board of Directors of the Company, met 8(eight) times on 17th May, 2023, 22nd June, 2023, 11th August 2023, 11th October, 2023, 20th October, 2023, 08th November, 2023, 21st December, 2023 and 12th February, 2024. Further, a separate meeting of the Independent Directors of the Company was also held on 12th February 2024, wherein the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the draft Annual Return as on 31st March, 2024 is available on the Company's website on: <http://www.acknitindia.com/Annual-Return.html>

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year 31st March, 2024 and the Profit or Loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2024 on a going concern basis;
- the Directors had laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls were adequate and operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

AUDITORS**1. Statutory Auditor**

At the 32nd Annual General Meeting held on 29th September, 2022, M/s SRB & Associates, Chartered Accountants, (Firm Registration No. 310009E) has been re-appointed as the Statutory Auditors of the Company to hold office for the second term of 5 (five) consecutive years, i.e., from the conclusion of 32nd Annual General Meeting of the Company till the conclusion of the 37th Annual General Meeting to be held in the year 2027.

2. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company had appointed Mr. Abhijit Dharmaraj Pal (CMA Membership No. 25493), as the Internal Auditor of the Company for the Financial Year 2023-24.

3. Cost Auditor

In view of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the provisions of Cost Audit is not applicable on the products of the Company for the Financial Year 2023-24.

4. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules framed thereunder, M/s Rekha Goenka & Associates, Practising Company Secretary, was appointed as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the Financial Year ended 31st March, 2024.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report issued by the Secretarial Auditor is annexed to this Report as **Annexure-I**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in the Secretarial Audit Report.

PUBLIC DEPOSIT

The Company has not accepted any deposits from the public during the year as defined under Section 73 of the Companies Act, 2013. Deposit outstanding as on 31st March, 2024 including unclaimed deposit was nil.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the Financial Year ended 31st March, 2024, no Loan or Guarantees under Section 186 of the Companies Act, 2013 was provided by the Company. The particulars of investments made by the Company under Section 186 forms part of the notes to the Financial Statements annexed to this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the Financial Year 2023-24 with the related parties were in the normal course of business and on an arm's length basis with due compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of Material Related Party Transaction(s) entered into by the Company during the Financial Year 2023-24 are enumerated in Form AOC-2 as attached in **Annexure – II** under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014.

Reference is made to the disclosures included in the notes to the Financial Statements pursuant to the provisions of Section 129 read with Schedule III to the Companies Act, 2013 and Schedule V Part A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which shows the Related Party Transactions entered into during the year.

HUMAN RESOURCE

The total number of employees of the Company as on 31st March, 2024 was 191. Your Company believes that employees are the most valuable assets of an organization and the optimum utilization of the skill, knowledge and attitude they possess are instrumental to the growth of the organization.

INTERNAL COMPLAINTS COMMITTEE

The Company has in place Policy on Prevention of Sexual Harassment of Women in line with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has duly constituted Internal Complaints Committee to prevent instances of sexual harassment and to receive and to effectively deal with complaints pertaining the same. No complaint has been received during the year under review.

**DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company's Whistle Blower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour and actual or suspected incidents of fraud or violation of the Acknit Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The Whistle-blower Policy is available on the Company's website and can be accessed through: <http://www.acknitindia.com/corporate-policies/whistle-blower-policy-acknit.pdf>

RISK MANAGEMENT POLICY

The Company has in place a comprehensive risk management policy, which is reviewed periodically by the Board of Directors. As of now the Directors do not envisage any element of risk which may threaten the existence of the Company.

CORPORATE GOVERNANCE

Your Company uphold the standard of good corporate governance and is compliant with the provisions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, both in letter and spirit. The Company's core values of honesty and transparency have been followed in every line of business decision making since its inception.

The Corporate Governance Report giving details as required under Paragraph C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report as **Annexure - III**. The Certificate on Corporate Governance for the year ended 31st March, 2024, as issued by M/s Rekha Goenka & Associates, Practising Company Secretary is also attached hereto as **Annexure - IV** which forms part of this Report.

CREDIT RATINGS

In terms of Regulation 34(2) read with Paragraph C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, credit rating details are given separately in the Corporate Governance Report annexed herewith as **Annexure - III**.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of 5(five) members, namely Mr. Rajarshi Ghosh, Mr. Deo Kishan Saraf, Mr. Mukul Banerjee, Mr. Jadav Lal Mukherjee and Mr. Shankar

Lal Bajaj. Majority of them are Independent Directors with exception of Mr. Deo Kishan Saraf, who is a Whole-time Director of the Company.

Mr. Rajarshi Ghosh, Non-Executive Independent Director of the Company is the Chairman of the Audit Committee.

The Committee met 4(four) times during the year on 17th May, 2023, 11th August, 2023, 08th November, 2023 and 12th February, 2024. The Board accepted the recommendations of the Audit Committee as were made by it during the year.

The composition of the Committee, number and dates of the Audit Committee meeting along with the attendance details of the members are given separately in the Corporate Governance Report annexed herewith as **Annexure-III**.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has Nomination and Remuneration Committee pursuant to the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of 5(five) members namely Mr. Rajarshi Ghosh, Mr. Mukul Banerjee, Mr. Jadav Lal Mukherjee, Mrs. Rashi Saraf and Mr. Shankar Lal Bajaj.

Mr. Rajarshi Ghosh, Non-Executive Independent Director of the Company is the Chairman of the Nomination and Remuneration Committee.

The functions of this Committee includes identification of persons who are qualified to become Directors and who may be appointed as Senior Management, formulation of criteria for determining qualifications, positive attributes, independence, recommendations of their appointments to the Board, evaluation of every Director's performance, formulation of a policy for the selection and appointment of Directors, Senior Management Personnel and their remuneration.

The Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees is available on the Company's website and can be accessed through: <http://www.acknitindia.com/corporatepolicies/nomination-and-remuneration-policy.pdf>

The details of terms of reference of the Nomination and Remuneration Committee, number and dates of the meetings held, attendance of the Directors and remuneration paid to all the Directors during the Financial Year ended 31st March, 2024, are given separately in the Corporate Governance Report annexed herewith as **Annexure-III**.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has Stakeholders Relationship Committee pursuant to Section 178 of the Companies Act, 2013 which comprises of 6(six) members, namely Mr. Rajarshi Ghosh, Mr. Deo Kishan Saraf, Mr. Mukul Banerjee, Mr. Jadav Lal Mukherjee, Mrs. Rashi Saraf and Mr. Shankar Lal Bajaj.



Mr. Rajarshi Ghosh, Non-Executive Independent Director of the Company is the Chairman of the Stakeholders Relationship Committee.

During the year under review, the Stakeholders Relationship Committee met 4(four) times on 17th May, 2023, 11th August, 2023, 08th November, 2023 and 12th February, 2024 in order to take on note the share transfer/transmission/demat of shares and/or other investors grievances as intimated by the RTA of the Company.

The composition of the Committee, number and dates of the Stakeholders Relationship Committee meeting along with the attendance details of the members are given separately in the Corporate Governance Report annexed herewith as **Annexure-III**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company had Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Companies Act, 2013 which comprised of 5(five) members, namely Mr. Rajarshi Ghosh, Mr. Shri Krishan Saraf, Mr. Mukul Banerjee, Mrs. Rashi Saraf and Mr. Shankar Lal Bajaj. Moreover, since the provisions of sub section 9 of section 135 of the Companies Act, 2013, allows a company below the specified limits to carry on discharging its CSR activities without having a CSR Committee, your Board of Directors on 11th August, 2023, decided to dissolve the CSR Committee and passed a resolution accordingly.

Further, during the financial year 2023-24 till the date the CSR Committee was dissolved, the composition of the erstwhile committee, number and dates of the erstwhile Corporate Social Responsibility (CSR) Committee meeting along with the attendance details of the members are given separately in the Corporate Governance Report annexed herewith as **Annexure - III**.

The CSR Policy has been placed on the website of the Company and can be accessed through: <http://www.acknitindia.com/CSR-Policy.pdf>

The Annual Report on CSR activities in terms of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith and marked as **Annexure – V** forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34(2) read with Paragraph B of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is attached hereto as **Annexure-VI** which forms part of this Report.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is attached hereto as **Annexure – VII** which forms part of this Report.

PARTICULARS OF EMPLOYEES

The information on particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached hereto as **Annexure-VIII** which forms part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and/or Company's operations in future.

LISTING OF SHARES

The shares of the Company are currently listed on The BSE Ltd. and The Calcutta Stock Exchange Ltd. (CSE). It was reported earlier that the Company has taken initiative for delisting its shares from CSE. The application of de-listing has been considered by CSE and as per its recommendations, necessary de-listing process has been initiated. However, the final confirmation/approval is still awaited.

MANAGING DIRECTOR'S CERTIFICATE

Managing Director's Certificate under Regulation 34(3) read with Paragraph D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on compliance of Code of Conducts is attached hereto as **Annexure-IX** which forms part of this Report.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions and others concerned. The Company also extend its thankful appreciation of the services of the employees and staffs of the Company without whose hard work and involvement the desired results of the Company could not be achieved. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its stakeholders at large.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Shri Krishan Saraf	Deo Kishan Saraf
Place: Kolkata	Managing Director	Whole-time Director
Date: 22nd May, 2024	DIN-00128999	DIN-00128804



Annexure - I

SECRETARIAL AUDIT REPORT

for the Financial Year ended 31st March, 2024

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

To,

The Members

ACKNIT INDUSTRIES LIMITED

CIN: L01113WB1990PLC050020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ACKNIT INDUSTRIES LIMITED** (hereinafter called "the Company") for the **Financial Year ended 31st March, 2024**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 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 31st March, 2024, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii) The Securities Contracts (Regulations) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- 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;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**"SEBI Act"**) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The 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, 2018;

- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - 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, 2021;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and
- vi) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company are as follows:
- a) West Bengal Ground Water Resources (Management, Control and Regulation) Act, 2005.
 - b) West Bengal Fire Services Act, 1950.
 - c) Factories Act, 1948.
 - d) Petroleum Act, 1934.
 - e) Petroleum Rules, 2002.
 - f) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.
 - g) Bengal Electricity Duty Act, 1935 and Rules there under.
 - h) Air (Prevention and Control of Pollution) Act, 1981.
 - i) Water (Prevention and Control of Pollution) Act, 1974.
 - j) Environment (Protection) Act, 1986.
 - k) Industries (Development & Regulation) Act, 1951
 - l) Industrial Dispute Act, 1947.
 - m) SEZ Act, 2005.
 - n) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc..
 - o) Acts as prescribed under Direct Tax and Indirect Tax
 - p) Local laws as applicable to various offices and plants
 - q) The Negotiable Instruments Act, 1881
 - r) Indian Contract Act, 1872
 - s) Indian Stamp Act, 1899

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

- (i) The Company has complied with the applicable Clauses of SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by The Institute of Company Secretaries of India.
- (ii) The Company has complied with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the stock exchanges.



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

I further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notices were given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in compliance with the Act and Secretarial Standard. 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.
- c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.
- d) The Compliances of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

I further report that:-

- The Company has obtained all necessary approvals under the various provisions of the Act;
- BSE has imposed fine on Company as per SEBI Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 under Regulation 6(1) of SEBI (LODR) Regulations, 2015. The Company has stated that there is no violation of Regulation 6(1) but merely a mistake in filing of Xbri for Reconciliation of Share Capital Audit Report for the quarter ended 31st Dec' 2023 and the same has been replied to BSE along with a waiver application. The waiver application is under process.
- There was no prosecution initiated and no other fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (LODR) Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers; and
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

I further report that the Company has complied with the provisions of the SEBI (Depositories and Participants) Regulations, 2018 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

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

I further report that during the audit period the Company has passed the following special resolution:

1. Re-appointment of Mr. Jadav Lal Mukherjee (DIN: 06421227) as a Non-Executive Independent Director, at Annual General Meeting held on 27th July, 2023.

This report is to be read with my letter of even date, which is annexed as **Annexure – A** which forms an integral part of this report.

For REKHA GOENKA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-

REKHA GOENKA
(Company Secretary)

Place: Kolkata
Date: 21-05-2024
UDIN: F012590F000417335

M. No.- FCS: 12590
CP: 11357
PR No. 1705/2022

Annexure - A to the Secretarial Audit Report

To,

The Members

ACKNIT INDUSTRIES LIMITED

CIN: L01113WB1990PLC050020

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

1. Maintenance of Secretarial records 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 the random 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 my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For REKHA GOENKA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-

REKHA GOENKA
(Company Secretary)

Place: Kolkata
Date: 21-05-2024
UDIN: F012590F000417335

M. No.- FCS: 12590
CP: 11357
PR No. 1705/2022



Annexure - II
FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Acme Safety Wears Limited - Company where there is significant influence
b)	Nature of contracts/arrangements/transactions	Sales/purchases of goods or materials as well as render/avail services to/from Acme Safety Wears Limited.
c)	Duration of the contracts/ arrangements/ transactions	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The value of such contracts during the Financial Year 2023-24 was ₹ 3056.50 lakhs.
e)	Date of approval by the Board	Not Applicable
f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

Sd/-

Shri Krishan Saraf
Managing Director
DIN-00128999

Sd/-

Deo Kishan Saraf
Whole-time Director
DIN-00128804

Place: Kolkata

Date: 22nd May, 2024



Annexure - III

REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors submit the following report on the Corporate Governance, for the information of the shareholders.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company believes that the Directors are the trustees of the Investors' capital and are obliged to maximise shareholders values over the long run while protecting the interests of all stakeholders such as employees, customers, business partners, suppliers and the society at large.

The Company believes and is committed to good corporate governance and adequate disclosure and it lays emphasis on transparency, accountability and integrity in all its operations and dealings and has complied with all the material aspects of the requirement specified in Listing Regulations.

2. BOARD OF DIRECTORS

i) Composition of Board :

The Board of Directors of the Company consists of 8 members comprising:

- One Managing Director
- Two Whole-time Directors
- One Non-Executive Non-Independent Director
- Four Non-Executive Independent Directors

The composition of the Board was in conformity with the provisions of the Corporate Governance Code of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2023-24, 8 (eight) Board Meetings were held on 17th May, 2023, 22nd June, 2023, 11th August 2023, 11th October, 2023, 20th October, 2023, 08th November, 2023, 21st December, 2023 and 12th February, 2024.

Name of the Directors	Category	No. of Board Meetings Attended	Attendance at the Last AGM	No of other Directorship*	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies**	
					As Chairperson	As Member
Mr. Shri Krishan Saraf	Managing Director	8	Yes	Nil	Nil	Nil
Mr. Deo Kishan Saraf	Whole-time Director	7	Yes	1	Nil	Nil
Mr. Abhishek Saraf	Whole-time Director	8	Yes	1	Nil	Nil
Mrs. Rashi Saraf	Non-Executive Non-Independent Director	8	Yes	Nil	Nil	Nil
Mr. Mukul Banerjee	Non-Executive Independent Director	3	Yes	1	Nil	Nil
Mr. Jadav Lal Mukherjee	Non-Executive Independent Director	4	No	Nil	Nil	Nil
Mr. Rajarshi Ghosh	Non-Executive Independent Director	8	Yes	1	1	Nil
Mr. Shankar Lal Bajaj	Non-Executive Independent Director	7	Yes	Nil	Nil	Nil

Notes :

1. Out of the aforementioned Directors of the Company, only Mr. Mukul Banerjee is holding Directorship in other listed entity.
2. The Directorship as mentioned above does not include Alternate Directorships, Directorships in Foreign Companies, Section 8 Companies, One Person Companies and Private Limited Companies.

**In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only the Audit Committee and Stakeholders' Relationship Committee of the Public Limited Companies have been considered.

ii) Disclosure of relationships between Directors inter-se:

Mr. Shri Krishan Saraf, Managing Director of the Company is the elder brother of Mr. Deo Kishan Saraf, Whole-time Director, father of Mr. Abhishek Saraf, Whole-time Director and father-in-law of Mrs. Rashi Saraf, Non-Executive Non-Independent Director.

iii) Number of shares and convertible instruments held by Non-Executive Directors:

Mrs. Rashi Saraf, Non-Executive Non-Independent Director holds 85,000 Equity Shares of Rs.10/- each in the Promoter Group of the Company.

iv) Web link where details of familiarisation programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time.

The details regarding Independent Directors' Familiarisation Programmes are given under the 'Corporate Policies' section on the website of the Company and can be accessed through: <https://www.acknitindia.com/Familiarisation-Programme-of-IDs.html>

v) Skills/Expertise/Competencies of the Board

The Board confirms that the following skills/expertise/competencies are available with the Board:

Sl.No.	Skills/expertise/competencies	Name of the Directors
1	Business Development	1.Mr. Shri Krishan Saraf 2.Mr. Deo Kishan Saraf 3.Mr. Abhishek Saraf 4.Mrs. Rashi Saraf 5.Mr. Rajarshi Ghosh
2	Financial Analysis	1.Mr. Deo Kishan Saraf 2.Mr. Abhishek Saraf 3.Mr. Rajarshi Ghosh 4.Mr. Mukul Banerjee 5.Mr. Jadav Lal Mukherjee 6.Mr. Shankar Lal Bajaj
3	Product Identification	1.Mr. Shri Krishan Saraf 2.Mr. Deo Kishan Saraf 3.Mr. Abhishek Saraf 4.Mrs. Rashi Saraf
4	Vendor Handling	1.Mr. Shri Krishan Saraf 2.Mr. Abhishek Saraf
5	Exim Planning	1.Mr. Shri Krishan Saraf 2.Mr. Deo Kishan Saraf
6	Forex Planning	1.Mr. Shri Krishan Saraf 2.Mr. Deo Kishan Saraf
7	Organisational Governance Development	1.Mr. Shri Krishan Saraf 2.Mr. Deo Kishan Saraf 3.Mrs. Rashi Saraf



3. COMMITTEES OF BOARD

The details of the Composition of the Committees of the Board of Directors are as under:

A. Audit Committee:

Terms of Reference

The terms of reference of Audit Committee broadly covers the prescribed detail under the provision of Section 177 of the Companies Act, 2013 as well as Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with reference to Corporate Governance in a Listed Company.

During the Financial Year 2023-24, the Committee had met 4(four) times on 17th May, 2023, 11th August, 2023, 08th November, 2023 and 12th February, 2024. The attendance details of the Directors are as follows:

Sl. No.	Name	Chairman / Members	No. of Meetings held during tenure	No. of Meetings attended
1.	Mr. Rajarshi Ghosh	Chairman	4	4
2.	Mr. Deo Kishan Saraf	Member	4	3
3.	Mr. Mukul Banerjee	Member	4	3
4.	Mr. Jadav Lal Mukherjee	Member	4	4
5.	Mr. Shankar Lal Bajaj	Member	4	4

B. Nomination and Remuneration Committee:

Terms of Reference

- To identify and ascertain the integrity, qualification, experiences and expertise of the person for appointment as Director, KMP and Senior Management level.
- To formulate the criteria for determining qualifications, positive attitude and independence of a Director and recommend to the Board a policy relating to the remuneration for Director, KMP and Other Senior Level Management Personnel.
- To devise a policy on Board Diversity and Remuneration policy.

During the Financial Year 2023-24, the Committee had met 3(three) times on 17th May, 2023, 21st December, 2023 and 12th February, 2024. The attendance details of the Directors are as follows:

Sl. No.	Name	Chairman / Members	No. of Meetings held during tenure	No. of Meetings attended
1.	Mr. Rajarshi Ghosh	Chairman	3	3
2.	Mr. Mukul Banerjee	Member	3	2
3.	Mr. Jadav Lal Mukherjee	Member	3	2
4.	Mrs. Rashi Saraf	Member	3	3
5.	Mr. Shankar Lal Bajaj	Member	3	3

Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee of the Board, in its Meeting held on 17th May, 2023, laid out evaluation report on the performance of the Board (including of all the Independent Directors), in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance evaluation was carried out by the entire Board (excluding the Director being evaluated) in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The Directors expressed their satisfaction with the evaluation process.

The Board of Directors also confirms that all the Independent Directors of the Company are in compliant with all the criteria specified under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of Companies Act, 2013.

Remuneration of Directors

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

-Nil, except for the Sitting Fee to the Non-Executive Directors.

Criteria of making payments to Non-Executive Directors:

The Company has adopted a Policy on appointment and remuneration of Directors, Key Managerial Personnel and Other Employees regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company and can be accessed through: <http://www.acknitindia.com/corporate-policies/nomination-and-remuneration-policy.pdf>

The Non-Executive Directors are entitled to sitting fees for attending Meetings of the Board and its Committees. The remuneration to the Managing Director and Whole-time Director is paid on the scale determined by the Board on recommendation of Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting in compliance of the provisions of the Companies Act, 2013 read with Schedule V to the said Act.

Disclosures with respect to Remuneration:

Details of remuneration/ sitting fees paid to Directors during the Financial Year 2023-24 is given below:

(₹ in Lakhs)

Name of Director(s)	Fixed Salary			Sitting Fees	Bonus	Commission	Stock options	Total
	Basic Salary	Perquisites or Allowances	Rental Benefits					
Mr. Shri Krishan Saraf	60.00	—	—	—	—	—	—	60.00
Mr. Deo Kishan Saraf	48.00	—	—	—	—	—	—	48.00
Mr. Abhishek Saraf	13.20	10.80	—	—	2.00	—	—	26.00
Mrs. Rashi Saraf	—	—	—	0.68	—	—	—	0.68
Mr. Rajarshi Ghosh	—	—	—	0.78	—	—	—	0.78
Mr. Mukul Banerjee	—	—	—	0.35	—	—	—	0.35
Mr. Jadav Lal Mukherjee	—	—	—	0.49	—	—	—	0.49
Mr. Shankar Lal Bajaj	—	—	—	0.72	—	—	—	0.72

C. Stakeholders' Relationship Committee:

- The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.
- The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice /annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

During the Financial Year 2023-24, the Committee had met 4(four) times on 17th May, 2023, 11th August, 2023, 08th November, 2023 and 12th February, 2024. The attendance details of the Directors are as follows:



Sl. No.	Name	Chairman / Members	No. of Meetings held during tenure	No. of Meetings attended
1.	Mr. Rajarshi Ghosh	Chairman	4	4
2.	Mr. Deo Kishan Saraf	Member	4	3
3.	Mr. Mukul Banerjee	Member	4	3
4.	Mr. Jadav Lal Mukherjee	Member	4	4
5.	Mrs. Rashi Saraf	Member	4	4
6.	Mr. Shankar Lal Bajaj	Member	4	4

• **Name & Designation of Compliance Officer:**

Mr. Ravi Kumar Bahl, Company Secretary is the Compliance Officer of the Company.

• **Number of shareholders' complaints received so far:**

The number of shareholder grievances received and resolved during Financial Year 2023-24 is given below:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

• **Number of complaints not solved to the satisfaction of shareholders : Nil**

• **Number of pending complaints : Nil**

D. Corporate Social Responsibility (CSR) Committee:

In terms of Section 135(1) of the Companies Act, 2013, the Company had Corporate Social Responsibility Committee which consisted of following Directors:

Sl. No.	Name	Chairman / Members
1.	Mr. Rajarshi Ghosh	Chairman
2.	Mr. Shri Krishan Saraf	Member
3.	Mrs. Rashi Saraf	Member
4.	Mr. Mukul Banerjee	Member
5.	Mr. Shankar Lal Bajaj	Member

Terms of reference

The terms of reference of erstwhile Corporate Social Responsibility Committee included the following:

- To formulate and recommend to the Board a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred in the Corporate Social Responsibility Policy; and
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the Financial Year 2023-24, the erstwhile Committee met 1 (one) time on 17th May, 2023.

The CSR Policy of your Company is available on the website of the Company and can be accessed through: <http://www.acknitindia.com/CSR-Policy.pdf>

4. GENERAL BODY MEETINGS

The details of the last three Annual General Meetings are given below:

Financial Year	Date of AGM	Time	Venue	Special Resolution Passed
2022-23	27.07.2023	11.30 A.M	Gyan Manch, 11, Pretoria Street, Kolkata- 700 071	1. Re-appointment of Mr. Jadav Lal Mukherjee (DIN:06421227) as a Non-Executive Independent Director.
2021-22	29.09.2022	05.00 P.M	Gyan Manch, 11, Pretoria Street, Kolkata- 700 071	1. Re-appointment of Mr. Deo Kishan Saraf (DIN:00128804) as a Whole-time Director.
2020-21	25.09.2021	11.00 A.M	Gyan Manch, 11, Pretoria Street, Kolkata- 700 071	1. Re-appointment of Mr. Shri Krishan Saraf (DIN: 00128999) as Managing Director. 2. Re-appointment of Mr. Mukul Banerjee (DIN: 07527632) as a Non-Executive Independent Director. 3. Appointment of Mr. Shankar Lal Bajaj (DIN: 00619282) as a Non-Executive Independent Director.

5. MEANS OF COMMUNICATION:

• **Quarterly results:**

The Company publishes Unaudited Financial Results of first three quarter of the Financial Year. In respect of the fourth quarter, the Company publishes the Audited Financial Results for the complete Financial Year.

• **Newspapers wherein results normally published:**

The quarterly/ half-yearly/ annual financial results are published in *Business Standard*, English Edition & *Ekdin*, Bengali edition.

• **Website, where displayed:**

The financial results are placed on the Company's website: www.acknitindia.com in the 'Investors Relation' section.

• **Official news releases:**

The Company does not display official news releases as it is not relevant for the Company at present.

• **Presentations made to institutional investors or to the analysts:**

None of such presentation was made to institutional investors or to the analysts during the year.

6. GENERAL SHAREHOLDER INFORMATION :

I. Annual General Meeting: In accordance with Section 96 of the Companies Act, 2013 and SEBI Listing Regulations and Circular(s) issued by MCA and SEBI from time to time.

II. Financial Year: 1st April, 2023 to 31st March, 2024

III. Dividend Payment Date: The dividend, if declared by the shareholders at the ensuing Annual General Meeting, will be paid within 30 days from the date of declaration.

IV. Shares of the Company are listed with the following stock exchanges. Stock Code and ISIN of equity shares are mentioned there against :

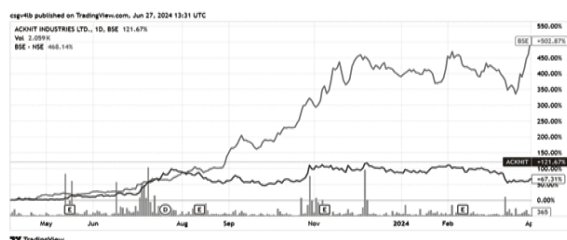
Name of the Stock Exchange	Stock Code	ISIN of Equity Shares
The BSE Ltd. P.J.Towers, Dalal Street Mumbai- 400 001	530043	INE326C01017
The Calcutta Stock Exchange Ltd. (CSE) 7, Lyons Range, Kolkata- 700 001	10011078	

The annual listing fees for the Financial Year 2023-24 has been duly paid to BSE. And payment to CSE is made against the invoices raised by CSE till date.

**V. Market Price Data:**

The Market Price of Equity Shares of the Company during the Financial Year 2023-24 are given below:

Months	BSE	
	High (₹)	Low (₹)
April, 2023	149.30	135.00
May, 2023	167.00	138.00
June, 2023	189.65	152.05
July, 2023	286.20	164.05
Aug, 2023	268.00	209.00
Sept, 2023	254.00	198.00
Oct, 2023	306.50	203.00
Nov, 2023	328.00	255.20
Dec, 2023	320.00	255.00
Jan, 2024	310.00	250.00
Feb, 2024	303.95	255.05
Mar, 2024	276.90	210.00

VI. Performance of the share price of the Company in comparison to BSE Sensex

VII. The Company is active in both the Stock Exchanges i.e. The BSE Ltd. and The Calcutta Stock Exchange Ltd (CSE).

VIII.Registrar and Share Transfer Agent:

S. K. Infosolutions Pvt. Ltd.
D/42, Katju Nagar Colony, Ground Floor,
PO & PS - Jadavpur, Kolkata - 700 032
Telephone No. - (033) 2412 0027/0029
Fax No. - (033) 2412 0027
Email: contact@skcinfo.com, skcdilip@gmail.com

IX. Share Transfer System

Necessary power and authority in this regard has been delegated to the Stakeholders' Relationship Committee and the Registrar and Share Transfer Agent. The Company's shares are compulsorily traded in dematerialised mode.

X. Shareholding Pattern:

Shareholding Pattern as on 31st March, 2024 is given below:

CATEGORY	NO. OF SHARES	%
Promoter Group		
Indian Promoters	15,30,437	50.34
Foreign Promoters	Nil	Nil
Total: Promoter Group	15,30,437	50.34
Non-Promoter Group		
Resident Individual	7,74,897	25.50
Bodies Corporate	5,25,277	17.28
NRI	7,258	0.24
HUF	1,63,382	5.37
Limited Liability Partnership	2,500	0.08
IEPF	36,249	1.19
Total: Non-Promoter Group	15,09,563	49.66
Grand Total	30,40,000	100.00

XI. Distribution of shareholding:

Distribution of shareholding as on 31st March, 2024 is given below:

Range of Shares	No. of Holders	%	No. of Shares	%
1 to 500	1855	86.12	1,91,356	6.29
501 to 1000	129	5.99	99,129	3.26
1001 to 2000	84	3.90	1,24,200	4.08
2001 to 3000	19	0.88	48,316	1.59
3001 to 4000	15	0.70	51,787	1.70
4001 to 5000	8	0.37	37,897	1.25
5001 to 10000	17	0.79	1,19,089	3.92
10001 to 50000	13	0.60	3,18,856	10.49
50001 to 100000	4	0.19	2,98,696	9.83
100001 and above	10	0.46	17,50,674	57.59
Grand Total	2154	100.00	30,40,000	100.00

XII. Dematerialization of shares and liquidity:

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As on 31st March, 2024, 30,02,994 shares representing 98.78% of the issued capital are in demat holding by the investors and bulk of transfers takes place in the demat form. The Equity Shares of the Company are actively traded in BSE Ltd.

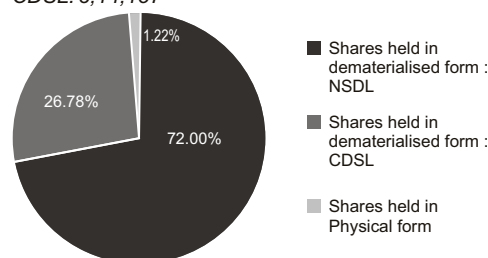
No. of Shares as on 31st March, 2024:

Physical Mode: 37,006

Electronic Mode:

–NSDL: 21,88,837

–CDSL: 8,14,157



Your company does not have any outstanding GDRs/ADRs/Warrants or any other convertible instruments.

**XIII. Hedging Activities:**

Since the Company in its normal business procedure is required to be engaged in export/import activities, to ensure optimum utilisation of forex volatility benefits, Company is required to follow hedging processes. The benefits associated with such hedging relates to ensuring the Company avoid forex fluctuation losses for its imports/exports.

XIV. Plant Location :

- Falta Special Economic Zone, Sector-I, Falta, South 24 Parganas, WB 743504
- Falta Special Economic Zone, Sector-II, Falta, South 24 Parganas, WB 743504
- 144, Old Jessore Road, Ganganagar, Madhyamgram, Kolkata- 700 132, WB
- Plot No.1676 , Zone No. 09, Kolkata Leather Complex, Bantala, South 24 Parganas, WB 743502
- 1 No.Katakhal, P.O.-Ganganagar, 24 Parganas (North), West Bengal-700 132
- Gopalpur Chandigarh, Chandigarh Rohanda Gram Panchayat, PO – Ganganagar, PS – Madhyamgram, North 24 Parganas, Kolkata – 700 132, WB
- Village - Purbaichapur, Para - Purbaichapur , Police Station - Duttapukur, Post Office - Kadambagachi, Barasat, Kolkata-700125, West Bengal
- Mouza-95, Sikdeshpukuria, 1st and 2nd Floor, Madhyapara, P.O.Chhotojagulia, PS:Duttapukur, North 24 Parganas, Pin – 743294, WB
- Falta Industrial Park , Plot No B4,B5,B6,B7,B8, PS - Ramnagar Under Kalatalahat Gram Panchayat, WBIIDC Road, Mouza -Ramnagar, J.L No. 18, Falta Industrial Sector 3, Falta Industrial Growth Centre, South Twenty Four Parganas, West Bengal, 743504
- Vill. Chhadvel (Karde), Tuluk Sakri Dhule, Maharashtra – 424305

XV. Address for Correspondence:

Members are requested to correspond with the Company through email to get faster response.

Address for correspondence is-

Registered & Corporate Office:

Ecostation, Block- BP, Plot No.7, Sector- V
5th Floor, Suit No. 504, Salt Lake
Kolkata-700091
Phone No. - (033) 2367 5555 / +91-8420047801
Email Id: calcutta@acknitindia.com / cs@acknitindia.com

XVI. Credit Ratings:

ICRA Ltd. vide their rating report of March, 2024 has assigned the following ratings of your Company's financial instruments:

Instrument	Rating action (March 2024)
Long-Term Fund Based Facilities	[ICRA]BBB Rating re-affirmed with stable outlook
Long-Term & Short-Term Non-Fund Based Facilities	[ICRA]BBB Rating re-affirmed with stable outlook/ [ICRA]A3+
Short-Term Non-Fund Based Facilities	[ICRA]A3+

7. OTHER DISCLOSURES**i) Materially Significant Related Party Transactions:**

All contracts / arrangements / transactions entered into by the Company during the Financial Year 2023-24 with related parties were in the ordinary course of business and on an arm's length basis. Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are given in the Notes to the Financial Statements of the Company for the year ended 31st March, 2024.

ii) Details of non-compliances:

There had been no case of non-compliance during the last three Financial Year.

iii) Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no person has been denied access to the Audit Committee:

The Board of Directors has approved and adopted a 'Whistle Blower Policy' wherein all employees and Directors of the Company are eligible to make protected disclosures to the competent authority i.e. the Chairman of the Audit Committee with respect to any improper activity concerning the Company. The policy provides for direct access to the Chairman of the Audit Committee. During the year under review, neither any case was reported under the Whistle Blower Policy nor was anyone denied access to the said competent authority or the Audit Committee. The details of establishment of the above vigil mechanism forms part of the Directors' Report. The 'Whistle Blower Policy' is available on the website of the Company and can be accessed through : <http://www.acknitindia.com/corporate-policies/whistle-blower-policy-acknit.pdf>

iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v) Web link where policy for determining 'material' subsidiaries is disclosed:

The Company does not have any 'material' subsidiary.

vi) Web link where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the website of the Company under 'Corporate Policies' section and can be accessed through:<http://www.acknitindia.com/corporate-policies/policy-on-related-party-transaction.pdf>

vii) Certificate on Non-Disqualifications of Directors:

Your Company has obtained certificate from M/s Rekha Goenka & Associates, Practising Company Secretary, certifying the fact that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, which is enclosed herewith as "Annexure A" to this Corporate Governance Report.

**viii) Acceptance of recommendations of any Committee of the Board :**

All the recommendations made by any Committee of the Board during the Financial Year 2023-24 have been duly accepted and taken on record by the Board of Directors of the Company.

ix) Fees paid to the Statutory Auditor :

Amount of ₹ 4.25 Lakhs was paid to M/s SRB & Associates, Chartered Accountants, during the Financial Year 2023-24.

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

The Company has constituted Internal Complaints Committee pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. During the Financial Year 2023-24, there was no complaint of sexual harassment received by the Committee.

xi) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans' to firms/companies in which directors are interested:

The Company has not given any 'Loans and advances in the nature of loans' to firms/companies in which directors are interested.

8. MANAGING DIRECTOR AND CFO CERTIFICATE

Pursuant to the provisions outlined in Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, both the Managing Director and Chief Financial Officer (CFO) have issued a joint certificate verifying that the financial statements are free from any materially false statement, and accurately reflect the Company's current state of affairs. The said certificate is enclosed herewith as "Annexure B" to this Corporate Governance Report.

9. COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the requirements of Corporate Governance specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to Part E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Compliance Certificate from the Practising Company Secretary regarding compliance of conditions of Corporate Governance by the Company forms part of the Directors' Report.

For and on behalf of the Board of Directors

Sd/-

Shri Krishan Saraf
Managing Director
DIN: 00128999

Place: Kolkata
Date: 22nd May, 2024

"ANNEXURE A" TO CORPORATE GOVERNANCE REPORT**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members
ACKNIT INDUSTRIES LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ACKNIT INDUSTRIES LIMITED** having **CIN:L01113WB1990PLC050020** and having registered office at "Ecotation", Block – BP, Plot No. 7, Sector – V, 5th Floor, Suite No. – 504, Salt Lake, Kolkata – 700 091 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I 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 Statutory Authority. However, Mr. Shankar Lal Bajaj, an independent director of the Company had applied to Indian Institute of Corporate Affairs (IICA) for restoration of his profile and the same has been approved till 22.08.2024.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	SHRI KRISHAN SARAF	00128999	12.10.1990
2.	DEO KISHAN SARAF	00128804	12.10.1990
3.	ABHISHEK SARAF	00129144	28.05.2022
4.	MUKUL BANERJEE	07527632	30.05.2016
5.	RASHI SARAF	07152647	26.09.2016
6.	JADAV LAL MUKHERJEE	06421227	30.05.2018
7.	RAJARSHI GHOSH	05270177	30.06.2021
8.	SHANKAR LAL BAJAJ	00619282	25.09.2021

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

For REKHA GOENKA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-

(REKHA GOENKA)
(Company Secretary)
M. No.- FCS: 12590
CP: 11357
PR No. 1705/2022

Place: Kolkata
Date: 21-05-2024
UDIN:F012590F000417346



"ANNEXURE B" TO CORPORATE GOVERNANCE REPORT
MANAGING DIRECTOR (MD) AND CFO CERTIFICATE

To,

The Board of Directors
Acknit Industries Limited

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which 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 that 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) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Shri Krishan Saraf
Managing Director
DIN:00128999

Place: Kolkata
Date: 22nd May, 2024

Sd/-
Bishnu Kumar Kesan
Chief Financial Officer (CFO)

Annexure - IV

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members
ACKNIT INDUSTRIES LIMITED

I have examined the compliance of Corporate Governance by Acknit Industries Limited ("the Company") having CIN: L01113WB1990PLC050020 for the period between 1st April, 2023 and 31st March, 2024 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable to the said Company with reference to the Listing Agreement with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to review of the 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 my opinion and to the best of my information and according to the explanation given to me and based on the representation made by the Directors, the management and the Company's officers, I certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

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

For REKHA GOENKA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-
(REKHA GOENKA)
(Company Secretary)
M. No.- FCS: 12590
CP: 11357
PR No. 1705/2022

Place: Kolkata
Date: 21-05-2024
UDIN:F012590F000417368

**Annexure - V****ANNUAL REPORT OF CSR ACTIVITIES****1. Brief outline of the Corporate Social Responsibility (CSR) Policy of the Company:**

The Company adopted CSR Policy as recommended by the CSR Committee and the scopes of the Policy are given hereunder:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- (x) Rural development projects;

- (xi) Slum area development;

- (xii) Disaster management, including relief, rehabilitation and reconstruction activities.

2. The Composition of (erstwhile) CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of (erstwhile) CSR Committee held during the year	Number of meetings of (erstwhile) CSR Committee attended during the year
1.	Mr. Rajarshi Ghosh	Chairman - Non-Executive Independent Director	1	1
2.	Mr. Shri Krishan Saraf	Member - Managing Director	1	1
3.	Mrs. Rashi Saraf	Member - Non-Executive Non-Independent Director	1	1
4.	Mr. Mukul Banerjee	Member - Non-Executive Independent Director	1	1
5.	Mr. Shankar Lal Bajaj	Member - Non-Executive Independent Director	1	1



3. Web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

(a) Composition of CSR Committee - <http://www.acknitindia.com/i/organization.html>

(b) CSR Policy - <http://www.acknitindia.com/CSR-Policy.pdf>

(c) CSR Projects approved by the Board - <http://www.acknitindia.com/i/CSR-Projects.html>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of rule 8(3) – Not applicable

5. (a) Average net profit of the Company as per section 135(5) – ₹ 1037.68 Lakhs

(b) Two percent of average net profit of the Company as per section 135(5) – ₹ 20.75 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)] – ₹ 20.75 Lakhs

6. (a) Amount spent on CSR Projects:

- Ongoing Project – Nil

- Other than Ongoing Project – ₹ 20.82 Lakhs

(b) Amount spent in Administrative Overheads - Nil

(c) Amount spent on Impact Assessment – Not applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – ₹ 20.82 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
20.82	Nil	NA	NA	Nil	NA

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

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	20.75
(ii)	Total amount spent for the Financial Year	20.82
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.05
(v)	Amount available for set off in succeeding Financial Years [(iii)+(iv)]	0.12

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer	
Nil							

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year – No

If Yes, enter the number of Capital assets created/acquired – Not Applicable

Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) – Not applicable

For ACKNIT INDUSTRIES LIMITED

Sd/-

Place: Kolkata

Date: 22nd May, 2024

Shri Krishan Saraf

Managing Director

DIN: 00128999

**Annexure - VI****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34(2) read with Paragraph B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is attached hereto forms part of this Report.

GENERAL ECONOMIC STATE:

Global growth proved resilient in 2023, with inflation declining more quickly than anticipated. Outcomes diverged across countries, with strong growth in the United States and many emerging-market economies offset by a slowdown in most European countries. Recent indicators point to some moderation of growth, with the effects of tighter financial conditions continuing to appear in credit and housing markets, and global trade remaining subdued. Attacks on ships in the Red Sea have raised shipping costs sharply and lengthened delivery times, disrupting production schedules and raising price pressures. Global GDP growth is projected to ease to 2.9% in 2024, from 3.1% in 2023, before recovering to 3.0% in 2025 as financial conditions ease. Annual GDP growth in the United States is projected to remain supported by household spending and strong labour market conditions, but moderate to 2.1% in 2024 and 1.7% in 2025. Euro area GDP growth is projected to be 0.6% in 2024 and 1.3% in 2025, with activity held back by tight credit conditions in the near term before picking up as real incomes strengthen. Growth in China is expected to ease to 4.7% in 2024 and 4.2% in 2025, despite additional policy stimulus, reflecting subdued consumer demand, high debt and the weak property market. Inflation is projected to be back to target in most G20 countries by the end of 2025. Headline inflation in the G20 economies is projected to drop from 6.6% in 2024 to 3.8% in 2025, with core inflation in the G20 advanced economies easing to 2.5% in 2024 and 2.1% in 2025. However, it is too soon to be sure that underlying price pressures are fully contained. Labour market conditions have become better balanced, but unit labour cost growth generally remains above rates compatible with medium-term inflation objectives. Geopolitical risks remain high, particularly relating to the ongoing conflict in the Middle East following the terrorist attacks on Israel by Hamas. A widening or escalation of the conflict could disrupt shipping more extensively than presently expected, intensify supply bottlenecks, and push up energy prices if traffic is interrupted in the key routes for the transport of oil and gas from the Middle East to Asia, Europe and the Americas. Persisting service price pressures could also generate upside inflation surprises and trigger financial market repricing as expectations of monetary policy easing are reassessed. Growth could also be weaker than projected if the lingering effects from past policy rate increases are stronger than expected. Monetary policy needs to remain prudent to ensure that underlying inflationary pressures are durably contained. Scope exists to lower policy interest rates as inflation declines, but the policy stance should remain restrictive in most major economies for some time to come. Governments face mounting fiscal challenges from rising debt

burdens and sizeable additional future spending pressures. Stronger near-term efforts to contain spending growth and well-designed medium-term fiscal frameworks are needed to help ensure sustainability and provide flexibility to respond to future shocks. The foundations for future growth need to be strengthened by policy reforms to improve educational outcomes, enhance skills development, and reduce constraints in labour and product markets that impede investment and labour force participation. Enhanced international co-operation is needed to revive global trade, ensure faster and better co-ordinated progress towards decarbonisation, and alleviate debt burdens in lower-income countries.

OPERATING SEGMENTS IN THE COMPANY:

The Company operates through four (4) broad segments. They are -

1. Manufacturing Hand Gloves of various materials and diverse qualities for industrial safety modules for both export and domestic markets;
2. Manufacturing of both industrial safety garments and readymade garments in bulk for both export as well as for domestic markets;
3. Power generation by operation of wind mills to supply on commercial base; and
4. Procurement, part processing and supply of non-conventional industrial safety gears in domestic market and in export.

CHALLENGES:

India's economic performance has remained robust despite global challenges and geopolitical concerns. This can be attributed to strong domestic demand, rural demand pickup, robust investment and sustained manufacturing momentum. It is to be mentioned that the price pressures continue to abate from the country. "Globally, inflation management continues to remain a key priority." India's retail inflation for the fiscal year 2023-24 has seen a significant downturn, marking its lowest point since the onset of the Covid-19 pandemic. Reflecting this trend, the Reserve Bank of India's Monetary Policy Committee decided to maintain policy rates at their current levels, citing the ongoing reduction in price pressures across the country. The committee emphasised the importance of achieving sustained alignment of inflation with its target of 4 percent. Despite the positive trajectory, the RBI acknowledged potential challenges on the horizon, including geopolitical tensions, domestic weather-related disruptions, and the Indian Meteorological Department's forecast of an above-normal monsoon in the upcoming fiscal year. In light of these factors, the RBI has projected Consumer Price Index inflation for the fiscal year 2024-25 at 4.5 percent. Furthermore, both the RBI and the International Monetary Fund have issued optimistic growth projections for India, bolstering confidence in the nation's economic outlook. Notably, March 2024 witnessed several indicators of robust economic performance, including



record-breaking achievements in the stock market, remarkable Goods and Services Tax collections and substantial growth in both the manufacturing and services sectors. The buoyant domestic economic landscape is further evidenced by improvements in consumer and investor confidence, reflected in enhanced sentiment across various sectors. The March review stated that the global trade is estimated to have contracted in 2023, driven by reduced demand in developed nations and trade weaknesses, coupled with a decline in global commodity prices. This, in turn, led to a moderation in India's merchandise exports and imports. The slowing of trade has resulted in the merchandise trade deficit narrowing in FY 2023-24, as exports have shown a smaller contraction than imports. However, the non-petroleum and non-gems & jewellery merchandise export have shown resilience with a sustained uptick in the last few months, growing at 3 percent in FY 2023-24. Services exports expanded at their fastest pace in FY 2023-24, supported by rising software exports and business services exports. Owing to these developments, India's current account deficit improved in the first nine months of FY 2023-24 compared to the corresponding period of the previous year. The capital inflows in India saw a significant turnaround in FY 2023-24. India's foreign exchange reserves reached an all-time high in March 2024, sufficient to cover 11 months of projected imports and more than 100 percent of total external debt. "Overall, resilient growth, robust economic activity indicators, price stability and steady external sector performance continue to support India's promising economic performance amidst uncertain global conditions."

Challenges facing the Company vis-à-vis the Country:

India has sustained its export growth notwithstanding the global challenges emerging due to issues like the Israel-Hamas war and the Budget has laid strong foundation to push the economic growth. Certainly, the country is facing "very severe" challenges due to these conflicts. But despite these challenges, India continues to be bright spot in terms of economy, economic growth and continue to broadly sustained exports. Geopolitically, global affairs are becoming more complex and challenging due to wars and conflicts. Globalisation is being redefined with restoring and friend-shoring, disruption and fragmentation of supply chains, and competition for critical minerals and technologies. A new world order is emerging after the Covid pandemic. The Russia-Ukraine war, the Israel-Hamas conflict and the Red Sea crisis have disrupted the global supply chains. Red Sea is the busiest trade route as it accounts for 30 percent of global container traffic and 12 percent of global trade. Red Sea has led to a significant increase in transportation cost and delay as Indian Exporters have to send their consignments through the Cape of Good Hope, encircling Africa. Due to these challenges the growth potential on the trade front is slowing very significantly and showing weakness. Due to these wars and crises, logistics and shipment lines out of India for exports are getting impacted significantly. India's exports rose by only 1 percent to USD 38.45 billion in December 2023 while the trade deficit narrowed to a three-month low of USD 19.8 billion. Exports during April-December this fiscal dipped by 5.7 percent to USD 317.12 billion. Importers contracted by 7.93 percent to USD 505.15 billion, leaving a trade deficit of USD 188.02 billion in the first three quarters as against USD 212.34 billion in April-December 2022.

RISKS AND CONCERNS:

Risk is integral to any business and Acknit is no exception. The major areas of risks as envisaged by the company are as under:

1. Fluctuations in foreign currency and exchange.
2. Export Credit Risk among the most significant financial risks.
3. Loss or damage to goods in transfer.
4. Country Risk being the most complex risk factor covering the overall economic, political and legal stability of a company.
5. Shipping risks.
6. Supply chain disruptions.
7. Customer's changing needs and preferences.
8. Cyber security risks.
9. Ability to hire and retain skilled employees.
10. Timely availability of raw materials (domestic as well as imported)

The Board of Directors revises the Company's business risks and formulates strategies to mitigate those risks. The Senior Management team, led by the Managing Director, is responsible for proactively managing risks with appropriate mitigation measures and ensuring their implementation thereof.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company has implemented robust internal controls to ensure strict adherence to applicable laws and regulations, safeguard company assets, and ensure the accuracy of financial reporting. The establishment of effective internal controls is of utmost importance for any organisation, as it ensures efficient, effective and ethically sound business operations. The Company's internal control framework comprises a comprehensive set of policies, procedures, and guidelines that provide adequate oversight over financial reporting and other critical aspects of the organisation. The organisational structure is well-defined, with clear delineation of roles and responsibilities, fostering accountability and transparency in decision-making processes. A comprehensive system of internal controls safeguards the integrity of the Company's financial reporting process. This includes the segregation of duties, access restrictions, and regular review procedures as integral components of the control environment. The independent audit committee plays a pivotal role in monitoring internal control procedures and provides regular updates to the board of directors.

**FINANCIAL PERFORMANCE:**

The Company could achieve a turnover of ₹ 22,065.73 Lakhs and total comprehensive income of ₹ 886.70 Lakhs during the year under review.

Segment-wise performance:

(₹ in Lakhs)

PARTICULARS	2023-24	2022-23
Manufacturing of hand gloves:		
Segment Revenue	12,605.81	14,710.19
Segment Results	1,349.70	1,410.71
Manufacturing of garments:		
Segment Revenue	7,310.69	8091.14
Segment Results	377.66	456.22
Power Generation - through windmill:		
Segment Revenue	43.11	38.91
Segment Results	(5.88)	(7.73)
Others:		
Segment Revenue	2,106.12	1,006.63
Segment Results	77.70	8.76

HUMAN RESOURCE:

At Acknit, we acknowledge the valuable contributions of our employees in propelling our journey to greatness in the export industry. Our core values revolve around cherishing our employees as the driving force behind our success. We take immense pride in our human resource policy, carefully crafted to cultivate a positive and thriving work environment that fuels employee engagement, fosters career growth, and sparks the flames of progression. We know that a company is only as strong as its talent pool, and that's why we are wholeheartedly committed to building a team of exceptional individuals who share our passion for excellence.

CAUTIONARY STATEMENT:

The statements in the "Management Discussion and Analysis Report" describe the Company's objectives, projections, expectations, estimates or forecasts which may be "forward-looking statements" within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

For ACKNIT INDUSTRIES LIMITED

Sd/-

Shri Krishan Saraf

Managing Director

Place: Kolkata

Date: 22nd May, 2024

DIN: 00128999

Annexure –VII

Information as per Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31st March, 2024:

A. CONSERVATION OF ENERGY

- i) **Steps taken or impact on conservation of energy:** The Company continues to give priority to the conservation of energy on an on-going basis. The measures for conserving the energy resources already exists in the Company and the management continuously observe those measures on a regular basis to ensure proper utilization of energy resources.
- ii) **Steps taken by the Company for utilizing alternate source of energy:** The Company has already made necessary expenditure on plant and equipment to conserve energy and to make optimum utilization thereof.
- iii) **The capital investment on energy conservation equipments:** The Company has already made necessary expenditure on energy conservation equipments impact of which reflects in the profitability of the Company.

B. TECHNOLOGY ABSORPTION

- i) **Efforts made towards technology absorption:** The R&D department of the Company continued to play a vital role in the following areas :
 - a) Better control in the processes for improving the quality of output
 - b) Finding out ways and means for saving of energy and cost
 - c) Development of new products/ grades/ discovering new methods of analysis
 - d) Re-cycling of waste and research on the utilization of waste
 - e) Finding out ways to increase the operational efficiencies by improving yields
- ii) **The benefits derived like product improvement, cost reduction, product development, import substitution:**

Benefits derived as a result of the above R&D:

 - a) Maintaining the leading position in the domestic market
 - b) Achievement of better efficiency in fuel consumption
 - c) Better control on inputs and thereby, improving the quality of the output to match international specifications
 - d) Optimization of resource usage and refinement of process technology
 - e) Usage of different combination of inputs in the manufacturing
- iii) **Expenditure incurred on Research and Development:**

Capital expenditure as well as recurring expenditure incurred from time to time during the year on laboratory items, tools, spares, handling equipments and salaries of research personnel remain merged with various heads.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakhs)

	FY 2023-24	FY 2022-23
Total foreign exchange earned in terms of actual inflows (FOB Basis)	13,004.18	14,959.90
Total foreign exchange outgo in terms of actual outflow	1,209.54	1,005.14



Annexure –VIII

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

Sl.No.	Particulars		
i.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	a.	Mr. Shri Krishan Saraf, Managing Director 35:1
		b.	Mr. Deo Kishan Saraf, Whole-time Director 28:1
		c.	Mr. Abhishek Saraf, Whole-time Director 15:1
		None of the other Directors has received any remuneration other than sitting fees during FY 2023-24.	
ii.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	a.	Company Secretary -24.11%
		b.	Directors (including sitting fees paid to Non-Executive Directors) 2.91%
		c.	Chief Financial Officer (CFO) 20%
iii.	The percentage increase in the median remuneration of employees in the financial year	3.45%	
iv.	The number of permanent employees on the rolls of Company	191	
v.	*Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average salary increase of employees is 2.35% Average salary increase of managerial personnel is 0.09% The average increase reflects the company's market competitiveness, salary benchmarking survey, inflation and talent retention.	
vi.	The key parameters for any variable component of remuneration availed by the Directors	As approved by the Board and/or shareholders, as the case may be.	
vii.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.		

* Note :1. Average salary of employees does not include salaries of Key Managerial Personnel.

Details of top ten employees in terms of remuneration drawn:

Sl. No.	Details	1	2	3	4	5	6	7	8	9	10
1	Employee Names	Shri Krishan Saraf	Deo Kishan Saraf	Abhishek Saraf	Aditya Saraf	Utkarsh Saraf	Joydeep Sengupta	Swapan Kr. Chakraborty	Satyajit Das	Bishnu Kumar Kesan	Abhijit Dharmaraj Pal
2	Designation of Employees	Managing Director	Whole-time Director	Whole-time Director	Vice President (Garment Division)	Business Development Executive	Business Head - Safety Garments Division	Works Manager-Falta Division	Production Manager-FSEZ-II	Chief Financial Officer	Manager Accounts & Internal Auditor
3	Remuneration/Salary received	₹ 60 Lakhs	₹ 48 Lakhs	₹ 26 Lakhs	₹ 26 Lakhs	₹ 16 Lakhs	₹ 11.30 Lakhs	₹ 10.36 Lakhs	₹ 10.07 Lakhs	₹ 8.64 Lakhs	₹ 8.55 Lakhs
4	Nature of Employment, Whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
5	Qualifications	Bachelor of Science	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Business Management	B.A. (Business Management)	Bachelor of Commerce	Bachelor of Science (Hons.) and Diploma in Production Management	Master of Business Administration & Bachelor of Science (Chemistry Hons.)	Bachelor of Commerce (Hons)	ICWAI, B.Com
6	Experience of the Employees	47 Years	39 Years	24 Years	19 Years	9 Years	21 Years	57 Years	22 Years	44 Years	26 Years
7	Date of Commencement of Employment	12/10/1990	12/10/1990	1/7/2006	1/4/2015	1/10/2015	14/12/2015	6/11/2000	3/2/2008	18/10/2004	16/1/2023
8	Age of Employee	70	58	44	39	28	41	77	45	60	50
9	The last Employment held by such Employee before joining the Company	Family Business	Family Business	Family Business	Acme Safety Wears Limited	-	Superhouse Limited	Cycle Corporation of India	Mallcom India Limited	SKFM Limited	Narsinghpore Tea Company Ltd
10	Whether any such Employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager	Yes Brother of Deo Kishan Saraf, Father of Abhishek Saraf & Father-in-law of Rashi Saraf	Yes Brother of Shri Krishan Saraf	Yes Son of Shri Krishan Saraf & Spouse of Rashi Saraf & Brother of Aditya Saraf	Yes Son of Shri Krishan Saraf & Brother of Abhishek Saraf	Yes Son of Deo Kishan Saraf	No	No	No	No	No



Annexure–IX

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31st March, 2024.

For ACKNIT INDUSTRIES LIMITED

Place: Kolkata
Date: 22nd May, 2024

Sd/-
Shri Krishan Saraf
Managing Director
DIN: 00128999



INDEPENDENT AUDITOR'S REPORT

To the Members of ACKNIT INDUSTRIES LIMITED.

Report on the Audit of the Financial Statements.

Opinion:

We have audited the accompanying financial statements of **Acknit Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Cash Flows statement for the year then ended, and a summary of the 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 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, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 1 to the Standalone Financial Statements - Significant Accounting Policies</p>	<p>Principal Audit Procedures Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over revenue cut off at year-end. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.
2.	<p>Litigations –Contingencies The Company is periodically subject to challenges/scrutiny on range of matters relating to direct tax, indirect tax. Further, potential exposures may also arise from general legal proceedings environmental issues etc. in the normal course of business.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgements and estimates in relation to the issues and exposures. Whether the liability is inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p>	<p>Principal Audit Procedures Our audit procedures included:</p> <ul style="list-style-type: none"> We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities. We used our subject matter experts to assess the value of material contingent liabilities in light of the nature of exposures, applicable regulations and related correspondence with the authorities. We discussed the status and potential exposures in respect of significant litigation claims with the Company's internal legal team including their views on the likely outcome of each litigation and claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors. We assessed the adequacy of disclosures made. We discussed the status in respect of significant provisions with the Company's internal tax and legal team. We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.



Sl. No.	Key Audit Matter	Auditor's Response
3	Capitalisation of property, plant and equipment. During the year ended March 31, 2024, the Company has incurred significant capital expenditure. Total additions to property, plant and equipment was ₹ 100.30 Lakhs in the current year.	Our audit procedures included and were not limited to the following: • Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16, including any such costs incurred specifically for trial run. Reviewed the project completion/handover certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.
4	Allowance for Credit Losses The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.	Principal Audit Procedures Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses. For a sample of customers: We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

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

The Company's Board of Directors is responsible for the preparation of 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 financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements:

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

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

Auditor's Responsibilities for the Audit of the Financial Statements:

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to



provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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 knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Cash Flows 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 Ind As specified under Section 133 of the Act.
 - e. On the basis of written representations received from Directors as on March 31, 2024, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
 - 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 to this report;
 - g. In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/provided by the Company to its directors in accordance with the provision of section 197 read with Schedule V to 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 of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses.
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures as considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material miss-statement.
- v. As per Statement of Changes in Equity to the financial statements :-
- (a) The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed a dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. [Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **SRB & Associates**
Chartered Accountants
Firm Reg. No. : 310009E

Biswanath Paul
(Partner)
Membership No. : 068186
UDIN:24068186BJZYBQ4562

Place: Kolkata
Date: 22nd May, 2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 (f) under "Report on other legal and regulatory requirements" section of our report to the members of Acknit Industries Limited of even date]

Report on the Internal Financial Controls over Financial 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 "ACKNIT INDUSTRIES LIMITED" as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, 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 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 March 31, 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 **SRB & Associates**
Chartered Accountants
Firm Reg. No. : 310009E

Biswanath Paul
(Partner)
Membership No. : 068186
UDIN:24068186BJZYBQ4562

Place: Kolkata
Date: 22nd May, 2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our Report of even date]

- I. Property, Plant and Equipment ("PPE"):
 - a. i. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of Right-of-use Assets and Investment Property.
 - ii. The Company has maintained proper records showing full particulars of Intangible Assets.
 - b. The management of the Company verifies PPE, Right-of-use Assets and Investment Property according to a phased programme designed to cover all items over a period of three years, which, in our opinion, is at reasonable intervals. Pursuant to the programme, certain items of PPE have been verified by the management during the year, and no material discrepancies have been noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of records examined by us, we report that, the title deeds of 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 standalone financial statements are held in the name of the Company.
 - d. According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its Property, Plant and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
 - e. According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made there under. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.
- II. In respect of Inventories:
 - a. Physical verification of inventories have been conducted by the management during the year which, in our opinion, is at reasonable intervals; and, in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory (including inventories lying with third parties) were noticed.
 - b. The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns and statements comprising stock and creditors statements, book debt statements and other stipulated financial information filed by the Company with such bank are in agreement with the books of account of the Company.



III. In respect of Loan:

- a. A. The Company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its subsidiaries and associates during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable

B. The Company has only granted unsecured loans or advances in the nature of loans to employees as specified below :

Loan / Advances to employees	(₹ in Lakhs)
Aggregate amount granted during the year	10.38
Balance outstanding as on March 31, 2024	12.14

- b. The terms and conditions of the grant of loans or advances in the nature of loans, as referred to a(B) above, are not prima facie prejudicial to the interest of the Company.
- c. In respect of loans or advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments are regular.
- d. Loans or advances in the nature of loans given.
- e. No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f. The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment.
- IV. In our opinion and according to the information and explanations given to us, the company has not granted loans or provided any guarantee or security to parties covered under section 185 and 186 of the company act, 2013.
- V. In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance and Deposits) Rules, 2014, as amended, with regard to deposit accepted by the Company from the public or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- VI. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the services rendered by the company.

VII. In respect of Statutory dues:

- a. The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes..

VIII. According to the information and explanations given to us, the Company did not have any 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, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks or any lenders. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared willful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us and on the basis of the books and records examined by us, the term loans taken during the year have been applied for the purposes for which those were obtained.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that during the year the Company has not taken any funds from an entity or person, on account of or to meet the obligations of its subsidiaries or associate companies.



- f. According to the information and explanations given to us and procedures performed by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- X. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- XI. a. On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.
- b. According to the information and explanations given to us, no report under section 143(12) of the 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. As represented to us by the management, the Company has not received any whistle-blower complaint during the year and upto the date of this report.
- XII. The company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.
- XIII. According to the information and explanations given by the management, transactions with the related parties are in Compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV. a. According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and 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 the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected to its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable.
- XVI. a. As per the information and explanations given to us and on basis of books and records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934; the Company has not conducted any Non-banking Financial or Housing Finance activities during the year; the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable to the Company.
- b. According to the information and explanations provided by the management of the Company, the Company does not have any CICs as part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order are not applicable to the Company.
- XVII. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- XVIII. There has been no resignation by the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- XIX. On the basis of ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, 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") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 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. This matter has been disclosed in note 27 to the financial statements.
- b. Since there is no unspent amount accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For SRB & Associates
Chartered Accountants
Firm Reg. No. : 310009E

Biswanath Paul
(Partner)
Membership No. : 068186
UDIN:24068186BJZYBQ4562

Place: Kolkata
Date: 22nd May, 2024



Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	3,469.00	3,706.61
Capital work-in-progress	3	356.04	3.53
Intangible Assets	3	2.58	2.88
Financial Assets			
(i) Investment	4	0.04	0.04
(ii) Loans	5	6.78	3.05
(iii) Other Financial Assets	6	25.34	2.78
Other non-current assets	7	302.63	269.59
		4,162.41	3,988.48
Current assets			
Inventories	8	7,050.78	5,680.15
Financial Assets			
(i) Trade Receivables	9	3,369.01	2,843.26
(ii) Cash and cash equivalents	10	55.05	28.62
(iii) Other bank balances	11	24.91	50.20
(iv) Loans	5	5.36	8.88
(v) Other Financial Assets	6	0.75	6.58
Current Tax Asset (Net)	12	-	22.78
Other current assets	7	891.65	627.11
		11,397.51	9,267.58
Total Assets		15,559.92	13,256.06
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	13	304.00	304.00
Other Equity	14	7,576.53	6,735.43
		7,880.53	7,039.43
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	15	15.84	23.87
Deferred tax liabilities(Net)	16	226.55	228.96
Other non current liabilities	17	7.12	8.52
		249.51	261.35
Current liabilities			
Financial Liabilities			
(i) Borrowings	15	5,839.59	4,275.10
(ii) Trade Payables	18	1,224.33	1,268.22
(iii) Other financial liabilities	19	61.82	32.81
Other current liabilities	17	293.17	379.15
Current Tax Liabilities (Net)	12	10.97	-
		7,429.88	5,955.28
Total Equity and Liabilities		15,559.92	13,256.06

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **SRB & ASSOCIATES**

Chartered Accountants

Firm Reg. No.310009E

Biswanath Paul

Partner

Membership No. 068186

UDIN : 24068186BJZYBQ4562

Place : Kolkata

Date : 22nd May, 2024

For and on behalf of the Board of Directors

Shri Krishan Saraf

Managing Director

DIN 00128999

Bishnu Kumar Kesan

Chief Financial Officer

Deo Kishan Saraf

Whole Time Director

DIN 00128804

Ravi Kumar Bahl.

Company Secretary

M. No.- F1962



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

(₹ in Lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue From Operations	20	22,065.73	23,846.87
Other Income	21	24.79	6.70
Total Income		22,090.52	23,853.57
EXPENSES			
Cost of Material Consumed	22	13,003.54	13,526.51
Purchases of Stock-in-trade	23	840.80	453.53
Changes in inventories of finished goods, Work in progress and stock-in-trade	24	(1,039.25)	245.30
Employee Benefits Expense	25	758.65	709.21
Finance Costs	26	238.44	280.09
Depreciation and amortization expense	3	329.34	331.51
Other Expenses	27	6,813.16	7,093.69
Total expenses		20,944.68	22,639.84
Profit before tax		1,145.84	1,213.73
Tax expense:			
Current Tax	28	293.05	311.44
Deferred Tax	28	(2.41)	0.28
Profit for the period		855.20	902.01
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		31.50	10.32
Re-measurement gains (losses) on defined benefit plans		31.50	11.09
Change in revaluation surplus		-	(0.77)
Total Comprehensive Income for the period		886.70	912.33
Earnings per equity share:			
(1) Basic in ₹ (Face Value of ₹ 10 each)	29	28.13	29.67
(2) Diluted in ₹ (Face Value of ₹ 10 each)	29	28.13	29.67

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **SRB & ASSOCIATES**

Chartered Accountants

Firm Reg. No.310009E

Biswanath Paul

Partner

Membership No. 068186

UDIN : 24068186BJZYBQ4562

Place : Kolkata

Date : 22nd May, 2024

For and on behalf of the Board of Directors

Shri Krishan Saraf

Managing Director

DIN 00128999

Bishnu Kumar Kesan

Chief Financial Officer

Deo Kishan Saraf

Whole Time Director

DIN 00128804

Ravi Kumar Bahl.

Company Secretary

M. No.- F1962



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

(₹ in Lakhs)

(a) Equity Share Capital

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2023	304.00	-	304.00
For the year ended 31st March, 2024	304.00	-	304.00

(b) Other Equity

Particulars	Reserve & Surplus					Total
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at 31st March, 2022	44.42	694.89	4,600.00	569.83	(40.44)	5,868.70
Profit for the period	-	-	-	902.01	-	902.01
Other comprehensive income (net of tax)	-	-	-	-	10.32	10.32
Total comprehensive income for the year	-	-	-	902.01	10.32	912.33
Dividend	-	-	-	(45.60)	-	(45.60)
Effective portion of gains/(losses) on designated portion of hedging instruments in a Cash flow hedge	-	-	-	-	-	-
Transfer from retained earnings	-	-	700.00	(700.00)	-	-
Balance as at 31st March, 2023	44.42	694.89	5,300.00	726.24	(30.12)	6,735.43
Profit for the period	-	-	-	855.20	-	855.20
Other comprehensive income (net of tax)	-	-	-	-	31.50	31.50
Total comprehensive income for the year	-	-	-	855.20	31.50	886.70
Dividend	-	-	-	(45.60)	-	(45.60)
Transfer from retained earnings	-	-	600.00	(600.00)	-	-
Balance as at 31st Mar, 2024	44.42	694.89	5,900.00	935.84	1.38	7,576.53

The Board of Directors have proposed a dividend of ₹ 1.50 per equity share of ₹ 10/- each for the financial year ended March 31, 2024.

Capital Reserve : This Reserve represents the value of amounts paid by the share applicant on account of share forfeited.

Securities Premium Account: This Reserve represents the premium on issue of shares and can utilized in accordance with the provisions Companies Act 2013

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another not being an item of Other Comprehensive Income . The same can be utilized by the Company in accordance with the provisions of the Companies Act 2013.

Retained Earnings: Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or others distributions paid to shareholders.

Other Comprehensive Income: This Reserve represents the cumulative gains (net losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comprehensive Income net of amounts reclassified if any to Retained Earnings when those instruments are disposed of.

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **SRB & ASSOCIATES**

Chartered Accountants

Firm Reg. No.310009E

Biswanath Paul

Partner

Membership No. 068186

UDIN : 24068186BJZYBQ4562

Place : Kolkata

Date : 22nd May, 2024

For and on behalf of the Board of Directors

Shri Krishan Saraf

Managing Director

DIN 00128999

Bishnu Kumar Kesan

Chief Financial Officer

Deo Kishan Saraf

Whole Time Director

DIN 00128804

Ravi Kumar Bahl.

Company Secretary

M. No.- F1962



Cash Flow Statement for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash Flow from Operating Activities		
Profit before Tax	1,145.84	1,213.73
Adjustments for :		
Depreciation and amortization expense	329.34	331.51
Finance costs	238.44	280.09
Interest income	(14.99)	(3.21)
Loss/(gain) on disposal of property, plant and equipments (net)	(1.14)	5.01
Subsidy Received	(1.40)	(1.40)
Provision for Bad and Doubtful Debts	-	11.50
Operating Profit before Working Capital Changes	1,696.09	1,837.23
Change in Working Capital:		
(Increase)/Decrease in Inventories	(1,370.63)	851.56
(Increase)/Decrease in Trade Receivables	(525.75)	240.31
(Increase)/Decrease in Current and Non Current Financial Assets	2.52	14.14
(Increase)/Decrease in Current and Non Current Non Financial Assets	(266.08)	307.91
Increase/(Decrease) in Trade Payables	(43.89)	(259.82)
Increase/(Decrease) in Current and Non Current Non Financial Liabilities	(85.98)	(124.68)
Change in Working Capital	(2,289.81)	1,029.42
Cash Generated From Operations	(593.72)	2,866.65
Less : Taxes paid	(259.30)	(326.07)
Net Cash Flow from Operating Activities (A)	(853.02)	2,540.58
B Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(453.48)	(309.76)
Sale of Property, Plant and Equipment	10.68	32.89
Payables for capital goods	29.88	(23.50)
Interest received	20.82	1.76
Net Cash Generated/(Used) in Investing Activities (B)	(392.10)	(298.61)
C Net Cash Flow From Financing Activities:		
Short term secured loan	1,565.42	(1,318.95)
Proceeds from/(repayment) of Unsecured Loan	(8.97)	12.04
Repayment of Secured long term loan	-	(601.33)
Interest and financing charges paid	(238.44)	(280.09)
Dividend paid	(46.46)	(46.39)
Net Cash Used in Financing Activities (C)	1,271.55	(2,234.72)
D Net Change in Cash & cash equivalents (A+B+C)	26.43	7.25
Cash & cash equivalents as at end of the year	55.05	28.62
Cash & cash equivalents as at the beginning of year	28.62	21.37

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **SRB & ASSOCIATES**

Chartered Accountants

Firm Reg. No.310009E

Biswanath Paul

Partner

Membership No. 068186

UDIN : 24068186BJZYBQ4562

Place : Kolkata

Date : 22nd May, 2024

For and on behalf of the Board of Directors

Shri Krishan Saraf

Managing Director

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Bishnu Kumar Kesan

Chief Financial Officer

Deo Kishan Saraf

Whole Time Director

DIN 00128804

Ravi Kumar Bahl.

Company Secretary

M. No.- F1962

**NOTES TO THE FINANCIAL STATEMENTS****Note 1****SIGNIFICANT ACCOUNTING POLICIES****Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017..

Basis of preparation and measurement

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosures in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, plant and equipment

Property, plant and equipment is stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Building	30-60 Years
Leasehold Improvements	Shorter of lease period or estimate useful life
Plant and Equipment	7-25 Years
Furniture and Fixture	8-10 Years
Vehicles	8-10 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2016 measured as per the previous GAAP.



The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss arising out of fluctuations in the exchange rates are recognized in the Statement of Profit and Loss in the period in which they arise, except in respect of fixed assets where exchange variance is adjusted in the carrying amount of respective fixed assets.

To account for differences between the forward exchange rates and the exchanges rates at the date of transactions as income or expense over the life of the contracts.

To account for profit / loss arising on cancellation or renewal of forward exchange contracts as income / expenses for the period.

To recognize the net mark to market losses & gain in the Statement of Profit and Loss on the outstanding portfolio of forwards as at the Balance Sheet date.

Financial instruments, financial assets, financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at: amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Revenue Recognition

Revenue from business and other activities consist primarily of revenue earned on a "time and material" basis. The related revenue is recognized as and when the material supplied / services performed. Sales are recognized inclusive of duty if any but net of GST. Export Incentives are accounted on accrual basis and include estimated realisable value / benefits from Duty Drawback, Merchandise Export Incentive Scheme (MEIS), Rebate of State & Central Taxes and Levies (ROSCTL), and Remission of Duties and Taxes on Exported Products (RODTEP), etc. The expenditures are recognized on accrual basis.

Sales & Export Incentives

Sales are recognized, net of return, on dispatch of goods to



customers and are reflected in the accounts at gross realizable value net of taxes but inclusive of excise / customs duties.

Export incentives are accounted on accrual basis and include estimated realizable value / benefits from Duty Drawback, Rebate of State & Central Taxes and Levies (ROSCTL), and Remission of Duties and Taxes on Exported Products (RODTEP), etc.

Investment Income

To account for income from investments on an accrual basis, inclusive of related tax deducted at source. To account for Income from dividends when the right to receive such dividends is established.

Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss..

Dividend Distribution

Dividends paid is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

Employee Benefits

The Employee benefits are provided in accordance with INDAS 19 and are dealt in the following manner:

- (i) Contribution to Provident Fund and other Funds are accounted on accrual basis.
- (ii) Gratuity Liability is determined by actuarial valuation done at the end of the year and the current year charge is debited in the Statement of Profit and Loss.

Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

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

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.



In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial and Cost Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

Note 2

Use of Estimate and Judgement

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have

indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

3 Property, Plant and Equipments & Intangible Assets

PARTICULARS	PROPERTY, PLANT AND EQUIPMENTS									CAPITAL WORK IN PROGRESS	INTANGIBLE ASSETS
	Land		Buildings	Plant & Machineries	Furniture & Fixtures	Vehicles	Office Equipment	Other - Electric Installations	Total Tangible Assets		Computer Softwares
	Freehold	Leasehold									
Gross Block											
Balance as at March 31, 2022	220.20	145.37	1,646.47	2,449.61	239.55	142.56	62.31	314.83	5,220.90	68.25	7.30
Additions & Adjustment	-	6.93	44.04	207.21	14.87	31.40	3.59	44.98	353.02	288.79	2.38
Deletions & Adjustment	-	-	-	24.61	-	8.28	-	-	32.89	353.51	-
Balance as at March 31, 2023	220.20	152.30	1,690.51	2,632.21	254.42	165.68	65.90	359.81	5,541.03	3.53	9.68
Additions & Adjustment	-	-	4.34	58.71	7.45	13.91	3.27	12.62	100.30	356.04	0.66
Deletions & Adjustment	-	-	-	11.24	-	7.44	-	3.79	22.47	3.53	-
Balance as at March 31, 2024	220.20	152.30	1,694.85	2,679.68	261.87	172.15	69.17	368.64	5,618.86	356.04	10.34
Accumulated Depreciation											
Balance as at March 31, 2022	-	-	277.03	900.76	105.17	73.93	39.36	120.73	1,516.98	-	6.79
Additions & Adjustment	-	-	61.40	188.74	25.94	18.88	6.17	30.37	331.50	-	0.01
Deletions & Adjustment	-	-	-	6.33	-	7.73	-	-	14.06	-	-
Balance as at March 31, 2023	-	-	338.43	1,083.17	131.11	85.08	45.53	151.10	1,834.42	-	6.80
Additions & Adjustment	-	-	61.80	186.85	22.96	18.79	6.30	31.68	328.38	-	0.96
Deletions & Adjustment	-	-	-	2.64	-	6.89	-	3.41	12.94	-	-
Balance as at March 31, 2024	-	-	400.23	1,267.38	154.07	96.98	51.83	179.37	2,149.86	-	7.76
Net Block											
Balance as at March 31, 2024	220.20	152.30	1,294.62	1,412.30	107.80	75.17	17.34	189.27	3,469.00	356.04	2.58
Balance as at March 31, 2023	220.20	152.30	1,352.08	1,549.04	123.31	80.60	20.37	208.71	3,706.61	3.53	2.88

Note:

- Building Freehold include ₹ 1,452.55 Lakhs (Previous Year - ₹ 1,448.10 Lakhs), aggregate cost of Building on Leasehold Land situated at various locations.
- The company imported plant & machineries under concessional rate or zero customs duty under Export Promotion Capital Goods Scheme (EPCG Scheme). Under the scheme, the company is obliged to export goods equivalent to 6 times of duty saved on capital goods. The company is required to meet this export obligation over a period of 6 years from the date of issue of authorisations. The company has fulfilled the entire export obligation and submitted the application for EODC for USD 5.46 lacs upto 31.03.24 with the appropriate authority but final approval is yet to receive.

Capital Work in Progress

Ageing for Capital Work in Progress as at March 31, 2024 is as follows:-					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	356.04	-	-	-	356.04
	356.04	-	-	-	356.04

Ageing for Capital Work in Progress as at March 31, 2023 is as follows:-					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	3.53	-	-	-	3.53
	3.53	-	-	-	3.53

4. Investment

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Investment in equity instruments				
In others				
Unquoted				
Bharat NRE Coke Limited				
8,871 (P.Y. 8,871) shares of ₹ 10 each, fully paid	-	0.01	-	0.01
West Bengal Hosiery Park Infrastructure Ltd				
300 (P.Y. 300) shares of ₹ 10 each, fully paid	-	0.03	-	0.03
Total	-	0.04	-	0.04



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

5. Loans

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
(Unsecured, considered good unless otherwise stated)				
Loan to Employees*	5.36	6.78	8.88	3.05
Total	5.36	6.78	8.88	3.05

*Loan to employees are given as per company's policy

6. Other Financial Assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Term deposit with Banks more than 12 months maturity*	-	25.34	-	2.78
Interest Accrued on Deposits	0.75	-	6.58	-
Total	0.75	25.34	6.58	2.78

* Term deposit with Banks held as collateral security /margin money against various credit facilities availed by company.

7. Other Assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Security deposits	-	229.62	-	248.73
Deposits with body corporate and others	1.67	-	1.67	-
Considered good				
Advances				
To Suppliers & Others	178.65	-	121.01	-
Receivables				
From govt. authorities for export incentives	594.49	-	391.73	-
Net Defined Benefit Asset	-	73.01	-	20.86
Prepaid expenses	116.84	-	112.70	-
Total	891.65	302.63	627.11	269.59



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

8. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (lower of cost and net realisable value)		
Raw Materials	2,600.30	2,254.36
Work-in-progress	2,868.92	2,374.32
Finished Products (Manufactured)	1,478.93	931.05
Stock-in-trade (Goods purchased for re-sale)	-	3.23
Stores and Spares	102.63	117.19
Total	7,050.78	5,680.15
The above includes goods in Transit as under :-		
Raw Materials	151.82	160.46
Stores and Spares	0.20	-
Total	152.02	160.46
The inventory also includes Goods lying with third party		
Raw Materials	336.32	99.90
Work-in-progress	391.92	332.81
Total	728.24	432.71

Working Capital facilities are secured by hypothecation of inventories of the Company, both present and future. The quarterly returns /statements filed by the Company with the bank(s) in respect of such facilities are in agreement with the books of accounts.

9. Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good	3,369.01	2,843.26
Credit Impaired	11.50	11.50
	3,380.51	2,854.76
Less : Allowance for Credit Impairment	11.50	11.50
Total	3,369.01	2,843.26

Trade receivables ageing schedule	As at March 31, 2024	As at March 31, 2023
Undisputed Trade Receivables-Considered Good		
Less than 6 months	3,338.80	2,786.78
6 months to 1 year	18.24	60.88
1-2 years	17.51	1.27
2-3 years	0.83	5.83
More than 3 years	5.13	-
Total	3,380.51	2,854.76
Undisputed Trade Receivables-Credit Impaired		
Less than 6 months	-	-
6 months to 1 year	-	4.40
1-2 years	5.67	1.27
2-3 years	0.69	5.83
More than 3 years	5.14	-
Sub -total	11.50	11.50
Less : Allowance for Credit Impairment	11.50	11.50
Total	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

10. Cash and Cash Equivalents*

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
Current Accounts	42.79	3.86
EEFC Accounts / Foreign currency Account	1.84	14.70
In Deposit Accounts	0.16	0.15
Cash in hand	10.26	9.91
Total	55.05	28.62

* Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

11. Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit Account*	21.24	45.67
Earmarked Balances with Bank-Unpaid Dividend	3.67	4.53
Total	24.91	50.20

* Represents deposits with original, maturity of more than 3 months having remaining maturity of less than 12 months from the balance sheet date.

12. Current Tax Asset (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Assets (Net of Income Tax Provision)	(10.97)	22.78
Total	(10.97)	22.78

13. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Lakhs	No of Shares	₹ in Lakhs
Authorised:				
Equity Shares of Rs 10 each fully paid up	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Issued and Subscribed				
Equity Shares of Rs 10 each fully paid up	35,20,000	352.00	35,20,000	352.00
Paid-up				
Equity Shares of Rs 10 each fully paid up	30,40,000	304.00	30,40,000	304.00
	30,40,000	304.00	30,40,000	304.00

A. Reconciliation of the Number of Equity Shares

	No of Shares	₹ in Lakhs	No of Shares	₹ in Lakhs
At the Beginning of the year	30,40,000	304.00	30,40,000	304.00
Add : Issue of Shares	-	-	-	-
At the end of the year	30,40,000	304.00	30,40,000	304.00

B. Details of shareholders holdings more than 5% shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Shri Krishan Saraf	4,33,947	14.27%	4,33,947	14.27%
Deo Kishan Saraf	2,28,532	7.52%	2,28,532	7.52%
Kusum Saraf	1,70,452	5.61%	1,70,452	5.61%

C. Rights, Preference and Restriction attached to Shares

The company has only one class of equity shares having par value of Rs.10/- each and is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity will be entitled to receive the remaining assets of the company after distribution of all preferential amounts.



NOTES TO THE FINANCIAL STATEMENTS

D. Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2024		As at March 31, 2023	
	No of Shares held	% of Total Shares	No of Shares held	% of Total Shares
Deo Kishan Saraf	2,28,532	7.52%	2,28,532	7.52%
Ritula Saraf	67,696	2.23%	67,696	2.23%
Kusum Saraf	1,70,452	5.61%	1,70,452	5.61%
Shri Krishan Saraf	4,33,947	14.27%	4,33,947	14.27%
Shri Krishan Saraf (HUF)	1,37,797	4.53%	1,37,797	4.53%
Abhishek Saraf	1,43,914	4.73%	1,43,914	4.73%
Aditya Saraf	41,799	1.37%	41,799	1.37%
Deo Kishan Saraf (HUF)	1,36,300	4.48%	1,36,300	4.48%
Rashi Saraf	85,000	2.80%	85,000	2.80%
Saraf Capital Markets Ltd.	85,000	2.80%	85,000	2.80%
Total	15,30,437	50.34%	15,30,437	50.34%

The Board of Directors have proposed a dividend of ₹ 1.50 per equity share of ₹ 10/- each for the financial year ended 31st March 2024

14. Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	44.42	44.42
Securities Premium	694.89	694.89
General Reserve	5,900.00	5,300.00
Retained Earning	935.84	726.24
Other Comprehensive Income	1.38	(30.12)
Total	7,576.53	6,735.43

14.1 Capital Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	44.42	44.42
Add: Addition during the year	-	-
Balance at the end of the year	44.42	44.42

14.2 Securities Premium

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	694.89	694.89
Add: Addition during the year	-	-
Balance at the end of the year	694.89	694.89

14.3 General Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	5,300.00	4,600.00
Add: Addition during the year	600.00	700.00
Balance at the end of the year	5,900.00	5,300.00



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

14.4 Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	726.24	569.83
Add : Profit for the year	855.20	902.01
	1,581.44	1,471.84
Less : Transfer to General Reserve	600.00	700.00
Less : Dividend	45.60	45.60
Balance at the end of the year	935.84	726.24

14.5 Other Comprehensive Income

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(30.12)	(40.44)
Add: Addition during the year	31.50	10.32
Balance at the end of the year	1.38	(30.12)

15. Borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
SECURED				
(a) Repayable of Demand from Bank *				
Cash credit	1,678.63	-	922.32	-
EPC	4,123.19	-	2,615.99	-
Foreign Currency Loan	-	-	712.29	-
Bill Discounting	29.53	-	15.32	-
(b) Vehicle Loan from Banks	-	15.84	-	23.87
(c) Current maturities of long-term debt	8.24	-	9.18	-
Total	5,839.59	15.84	4,275.10	23.87

a) Secured Loans are covered by:

From Bank *

Secured by way of hypothecation first charge on Raw Material, Stock-in-process, Finished Goods, spares, stores, consumables, receivables and other current assets of the Company both present and future on pari passu basis with other Banker.



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

b) Repayment Terms of outstanding long term borrowings (including current maturities) as on March 31, 2024 are as under :

Particulars	Banks & Corporates Vehicle & Inter Corporate Loan	
	As at March 31, 2024	As at March 31, 2023
Borrowings Repayable		
In the first year	8.24	9.18
Current maturities of long-term debt	8.24	9.18
In the second year	5.77	8.16
In the third year	6.34	5.82
In the fourth year and onwards	3.73	9.89
Long Term Borrowings	15.84	23.87

c) Period of Continuing Default

There is no continuing default in repayment of Long Term Borrowings.

16. Deferred tax liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	226.55	228.96
Total	226.55	228.96

Movement in deferred tax liabilities/assets balances	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities/assets in relation to:				
On Doubtful Receivable	(2.89)	-	-	(2.89)
On fiscal allowances on property, plant and equipment etc	231.85	(2.41)	-	229.44
Total deferred tax liabilities (Net)	228.96	(2.41)	-	226.55

17. Other Liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Deferred revenue arising from Government grant	1.40	7.12	1.40	8.52
Interest Accrued but not due	0.19	-	-	-
Statutory Liabilities	23.61	-	26.05	-
Advances from Customers	161.40	-	213.67	-
Others	106.57	-	138.03	-
Total	293.17	7.12	379.15	8.52



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

18 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding dues of Creditors of Micro, Small and Medium Enterprises		
(i) Dues to Related Parties	22.60	3.34
(ii) Creditors for Supplies and Services	124.56	427.05
Total outstanding dues of micro enterprises and small enterprises	147.16	430.39
Outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Dues to Related Parties	8.52	29.64
(ii) Creditors for Supplies and Services	1,068.65	808.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,077.17	837.83
Total	1,224.33	1,268.22

Ageing (As on 31.03.2024)	MSME	Others
Less than 1 year	147.16	1,069.65
1-2 years	-	1.86
2-3 years	-	0.68
More than 3 years	-	4.98
Total	147.16	1,077.17

Ageing (As on 31.03.2023)	MSME	Others
Less than 1 year	430.39	829.18
1-2 years	-	3.67
2-3 years	-	4.98
More than 3 years	-	-
Total	430.39	837.83

Terms and conditions of the above financial liabilities:

- A sum of ₹ 147.16 Lakhs payable to Micro, and Small Enterprises as at 31st March, 2024. There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2024. This information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

19. Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends *	3.67	4.53
Payables for fixed assets	58.15	28.28
Total	61.82	32.81

*Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 126 of the Companies Act, 2013

20. Revenue From Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross Revenue from sale of products	21,228.02	22,948.18
Other operating revenues	837.71	898.69
Total	22,065.73	23,846.87



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Details of products sold

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Finished goods sold		
Hand Gloves	11,937.23	13,752.59
Garment	7,198.91	7,896.47
Windpower	43.11	38.91
Others	1,818.96	506.76
Total (A)	20,998.21	22,194.73
B .Raw material & traded goods sold		
Yarn, fabrics, chemicals and other traded goods	229.81	753.45
Total (B)	229.81	753.45
Total (A+B)	21,228.02	22,948.18

Break-up of Other operating revenues

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Scrap sales	1.80	2.40
Export Incentives	631.29	715.12
Other Operating Income	-	2.48
Net foreign exchange gain/(loss)	204.62	178.69
Total	837.71	898.69

21. Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on		
Bank Deposits	3.04	3.21
Others	11.94	-
Other Non-operating income :		
Subsidy Received	1.40	1.40
Other Misc. Income	7.26	0.47
Profit on sale of Property, Plant and Equipment	1.15	1.62
Total	24.79	6.70

22. Cost of Raw Materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	2,254.36	2,893.63
Add: Purchases	13,351.16	12,887.24
	15,605.52	15,780.87
Less : Loss in Transit	1.68	-
Less: Closing stock	2,600.30	2,254.36
Total	13,003.54	13,526.51



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Details of raw materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Yarn	384.32	571.58
Fabrics	3,517.72	4,223.43
Leathers	5,906.38	6,205.50
Chemicals	1,148.51	882.85
Others	2,046.61	1,643.15
Total	13,003.54	13,526.51

Value of Raw materials consumed during the year		
Imported	809.88	898.89
Indigenous	12,193.66	12,627.62
Total	13,003.54	13,526.51

23. Purchases of Stock in trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Hand Gloves	0.22	122.48
Garments	12.76	7.39
Others	827.82	323.66
Total	840.80	453.53

24. Changes in inventories of Finished Goods, Work in Progress & Stock-in-Trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock		
Work-in-progress	2,374.32	2,202.32
Finished goods	931.05	1,341.67
Traded goods	3.23	9.91
	3,308.60	3,553.90
Closing Stock		
Work-in-progress	2,868.92	2,374.32
Finished goods	1,452.44	931.05
Traded goods	26.49	3.23
	4,347.85	3,308.60
Total	(1,039.25)	245.30

Details of inventories

Work-in-progress		
Hand gloves	661.51	310.54
Garments	2,001.16	1,931.42
Others	206.25	132.36
Total	2,868.92	2,374.32
Finished goods		
Hand gloves	1,111.76	700.39
Garments	261.43	185.98
Others	79.25	44.68
Total	1,452.44	931.05



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Traded goods

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Hand gloves	3.14	3.13
Garments	1.44	-
Others	21.91	0.10
Total	26.49	3.23

25. Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, bonus etc	677.33	628.72
Contribution to provident and other funds	58.04	55.12
Gratuity expenses	11.24	13.16
Staff welfare expenses	12.04	12.21
Total	758.65	709.21

Disclosure on Employee Benefits is given in Note No. 32

26. Finance Costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expense	202.36	233.19
Others borrowing cost	36.08	46.90
Total	238.44	280.09

27. Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores, spares & packing materials	591.61	857.33
Power & fuels	332.32	449.23
Rent, rates & taxes etc.	161.27	168.37
Packing & finishing charges	183.49	166.30
Printing & stationery	21.31	19.81
Processing charges	4,288.12	4,155.24
Bank Charges	33.44	30.16
Travelling & conveyance expenses	113.10	113.51
Auditor's remuneration	4.25	3.00
Insurance charges	79.31	83.32
Postage & telephone expenses	31.44	34.94
Motor car expenses	21.53	22.24
Repairs & maintenance		
Plant & machinery	143.01	135.07
Building	13.38	4.47
Others	103.75	117.11
Commission on sales	18.56	14.86
Sales promotion expenses	168.40	75.55
Coolie, cartage, freight & forwarding charges	360.63	524.25
Loss On Sale Of Property, Plant and Equipments	-	6.63
Sundry Balance Written Off	4.93	1.23
Sales Tax Expenses	3.21	-
CSR Contribution	20.82	16.40
Misc. expenses	115.28	94.67
Total	6,813.16	7,093.69

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

The details of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 is as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Amount required to be spent by the company during the year	20.75	16.35
b) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) For purposes other than (i) above	20.82	16.40
c) Shortfall at the end of the year	-	-
d) Total of previous year shortfall	-	-
e) Reason for shortfall	Not Applicable	Not Applicable

28. Income Tax Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Amount recognised in profit or loss		
Current Tax		
Income tax for the year		
Current Tax	296.67	305.00
Adjustments/(credits) related to previous years - Net	(3.62)	6.44
Total Current tax	293.05	311.44
Deferred tax		
Deferred tax for the year	(2.41)	0.28
Total Deferred tax	(2.41)	0.28
Total	290.64	311.72

29. Earnings per equity share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit After Taxation (₹) in Lakhs	855.20	902.01
Weighted average number of Ordinary shares (Nos.)	30,40,000	30,40,000
Basic Earnings Per Share (₹)	28.13	29.67
Diluted Earnings Per Share (₹)	28.13	29.67

30. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Guarantees		
(i) Letter of Credit	135.62	113.49
(ii) Counter Guarantee Given	88.03	88.76



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

31. Additional Notes to the Financial statement

A. Expenditure In Foreign Currency

	For the year ended March 31, 2024	For the year ended March 31, 2023
(Amount remitted in foreign currency by way of letter of credit arrangements / others)		
For purchase of Capital goods on CIF basis	10.73	44.36
For purchase of Raw Materials, stores, spares & Finished Goods	1,062.06	837.94
For Travelling Expenses	53.05	39.57
On other accounts	83.70	83.27
Total	1,209.54	1,005.14

B. Earnings In Foreign Currency On (Fob Basis)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Export of goods	12,997.80	14,959.90
Other income	6.38	-
Total	13,004.18	14,959.90

C. Derivative Instruments

The company uses forward exchange contracts to hedge its exposures in foreign currency related to firm commitments and highly probable forecasted transactions. The information on derivative instruments is as follows:-

Forward exchange contracts outstanding as at year end.

Currency	Cross Currency	As at March 31, 2024		As at March 31, 2023	
		Buy	Sell	Buy	Sell
US Dollar (\$)	Indian Rupees (₹)	-	48.99	-	28.29
Euro (€)	Indian Rupees (₹)	-	26.88	-	16.75

32. Additional Notes to Defined Benefit Plans/Long Term Compensated Absences

Defined Contribution Plans -

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Provident Fund, Pension and Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Pension Plans are based on employees' pensionable remuneration and length of service. Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk

Investment Risks: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements..

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities

These Plans have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes.



The Trustees regularly monitor the funding and investments of these Plans. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure adequacy of internal controls. Pension obligation of the employees is secured by purchasing annuities thereby de-risking the Plans from future payment obligation.

(₹ in Lakhs)

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at March 31, 2024	As at March 31, 2023
Discount rate(s)	7.10%	7.40%
Expected rate(s) of salary increase	4.00%	4.00%
Mortality	IALM (2012-14) ULTIMATE	

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Past Service cost	-	-
Current service cost	13.72	14.13
Total Service cost	13.72	14.13
Interest Expense on DBO	19.71	17.77
Interest (Income) on Plan Assets	(22.19)	(18.74)
Total Net Interest Cost	(2.48)	(0.97)
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	11.24	13.16
Remeasurements - Due to Financial Assumptions	5.61	(3.36)
Remeasurements - Due to Experience Adjustments	(37.54)	(9.54)
(Return) on Plan Assets (Excluding Interest Income)	0.43	1.81
Total Remeasurements in OCI	(31.50)	(11.09)
Total Defined Benefit Cost recognized in P&L and OCI	(20.26)	2.07

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	261.21	266.41
Fair value of plan assets	334.22	287.27
Funded status	(73.01)	(20.86)
Effect of Asset Ceiling /oneros Liability	-	-
Net liability/ (asset) arising from defined benefit obligation	(73.01)	(20.86)

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligations	266.41	250.32
Current service cost	13.72	14.13
Interest Expense	19.71	17.77
Benefit Payments from Plan Assets	(6.70)	(2.92)
Remeasurements - Due to Financial Assumptions	5.61	(3.36)
Remeasurements - Due to Experience Adjustments	(37.54)	(9.53)
Closing defined benefit obligation	261.21	266.41



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Movements in the fair value of the plan assets are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	287.27	257.49
Interest Income	22.19	18.74
Employer Contributions	31.89	15.76
Benefit Payments from Plan Assets	(6.70)	(2.92)
Remeasurements - Return on Assets(Excluding Interest Income)	(0.43)	(1.80)
Closing fair value of plan assets	334.22	287.27

Particulars	As at March 31, 2024	As at March 31, 2023
Investment Details	Gratuity Funded	Gratuity Funded
Investment with Insurer (LIC)	100%	100%

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Net Defined Benefit Liability/(Asset) at beginning of year	(20.86)	(7.17)
Defined Benefit Cost included in P & L	11.24	13.16
Total Remeasurements included in OCI	(31.50)	(11.09)
Employer Contributions	(31.89)	(15.76)
Net Defined Benefit Liability / (Asset) at end of year	(73.01)	(20.86)

Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below :-

Particulars	DBO As at March 31, 2024
Under Base Scenario	261.21
Salary Escalation (Up by 1%)	283.22
Salary Escalation (Down by 1%)	244.78
Withdrawal Rates (Up by 1%)	266.59
Withdrawal Rates (Down by 1%)	259.30
Discount Rates (Up by 1%)	245.42
Discount Rates (Down by 1%)	282.83
Mortality Rate (Up by 10.00%)	261.77
Mortality Rates (Down by 10.00%)	260.65

Maturity Analysis Of The Benefit Payments

Particulars	Amount
1. Year 1	19.40
2. Year 2	8.39
3. Year 3	6.95
4. Year 4	8.73
5. Year 5	4.11
6. Next 5 Years	155.49



NOTES TO THE FINANCIAL STATEMENTS

33. Segment Reporting

The company's operating business are organized and managed separately according to the nature of products. The four identified reportable segments are (i) Industrial Hand gloves, (ii) Garments (iii) Power generation and (iv) Other & traded items segment. The secondary segment is the geographical segment based on the location of manufacturing unit.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently.

Primary Segment Information

(₹ in Lakhs)

	2023-24			2022-23		
	External Sale	Inter segment Sales	Total	External Sale	Inter segment Sales	Total
A. Segment Revenue						
Hand Gloves	12,605.81	-	12,605.81	14,710.19	-	14,710.19
Garments	7,310.69	-	7,310.69	8,091.14	-	8,091.14
Power Generation	43.11	-	43.11	38.91	-	38.91
Others & Traded Items	2,106.12	-	2,106.12	1,006.63	-	1,006.63
Segment Total	22,065.83	-	22,065.73	23,846.87	-	23,846.87
Elimination			-			-
Total Revenue			22,065.73			23,846.87
B. SEGMENT RESULTS						
Hand Gloves			1,349.70			1,410.71
Garments			377.66			456.22
Power Generation			(5.88)			(7.73)
Others & Traded Items			77.70			8.76
Segment Total			1,799.18			1,867.96
Unallocated corporate expenses			(429.96)			(377.56)
Unallocated corporate income			0.08			0.21
Profit before finance cost & tax			1,369.30			1,490.61
Finance cost			(238.44)			(280.09)
Interest on loan, deposits, etc.			14.98			3.21
Profit before tax			1,145.84			1,213.73
Tax expense			(290.64)			(311.72)
C. Profit after Taxation			855.20			902.01

D. OTHER INFORMATION

	2023-24		2022-23	
	Segment Assets	Segment Liability	Segment Assets	Segment Liability
Hand Gloves	8,001.03	3,690.45	6,554.05	2,757.75
Garments	5,404.61	3,133.19	4,814.87	2,739.80
Power Generation	185.11	0.32	168.78	6.22
Others & Traded Items	1,391.31	496.94	1,123.12	363.94
Segment Total	14,982.06	7,320.90	12,660.82	5,867.71
Unallocated Corporate Assets / Liabilities	577.86	358.49	595.24	349.12
Total	15,559.92	7,679.39	13,256.06	6,216.83



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	2023-24			2022-23		
	Capital Expenditure	Depreciation	Non Cash Exps Other Than Depreciation	Capital Expenditure	Depreciation	Non Cash Exps Other Than Depreciation
Hand Gloves	33.34	195.31	-	212.11	203.89	-
Garments	363.53	50.90	-	12.23	50.57	-
Power Generation	-	22.54	-	-	22.54	-
Others & Traded Items	39.89	36.46	-	89.04	31.37	-
Segment Total	436.76	305.21	-	313.38	308.37	-
Unallocated Expenditure	16.71	24.13	-	42.02	23.14	-
Total	453.47	329.34	-	355.40	331.51	-

SECONDARY SEGMENT INFORMATION

Segment Revenue

Within Special Economic Zone
Outside Special Economic Zone

Segment Assets

Within Special Economic Zone
Outside Special Economic Zone

Capital Expenditure

Within Special Economic Zone
Outside Special Economic Zone

2023-24

2022-23

2,001.91
20,063.82

2,307.71
21,539.16

2,417.20
13,142.72

2,507.87
10,748.19

31.25
422.22

18.33
237.07

34. RELATED PARTY DISCLOSURES

Related Party Disclosures, as required by IND-AS 24, "Related Party Disclosures", are given below:

1. COMPANIES / FIRMS WHERE THERE IS A SIGNIFICANT INFLUENCE :
 - (a) Acme Safetywears Limited
 - (b) Saraf Capital Markets Limited
 - (c) Prince Vanijya Private Limited
 - (d) Century Safety Wears Private Limited
 - (e) Radiant Leather Private Limited
 - (f) Global SafetyWears Private Limited
 - (g) Rosinate India Company
 - (h) Acme Industrial Corporation
 - (i) Safewell Industries
 - (j) Shri Krishan Saraf (HUF)
 - (k) Deo Kishan Saraf (HUF)
2. KEY MANAGEMENT PERSONNEL :
 - (a) Mr. Shri Krishan Saraf
 - (b) Mr. Deo Kishan Saraf
 - (c) Mr. Abhishek Saraf
 - (d) Mr. Ravi Kumar Bahl
 - (e) Mr. Bishnu Kumar Kesan
 - (f) Ms. Bandana Saha
3. RELATIVE OF KEY MANAGEMENT PERSONNEL:
 - (a) Mr. Aditya Saraf
 - (b) Mr. Utkarsh Saraf
 - (c) Ms. Priya Saraf
 - (d) Ms. Ritula Saraf
 - (e) Ms. Rashi Saraf
4. OTHERS :
 - (a) Mr. Swapan Kumar Chakraborty



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Disclosure of transactions between the company and related parties and status of outstanding balance as on 31.03.2024

Particulars	Parties referred to in (1) above		Parties referred to in (2,3,4) above		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Purchase of Goods	1,582.16	910.11	-	-	1,582.16	910.11
Acme Safetywears Limited	1,011.31	613.90	-	-	1,011.31	613.90
Safewell Industries	570.85	296.21	-	-	570.85	296.21
Sale of Goods	2,162.35	1,890.44	-	-	2,162.35	1,890.44
Acme Safetywears Limited	2,039.22	1,867.28	-	-	2,039.22	1,867.28
Acme Industrial Corporation	85.07	-	-	-	85.07	-
Safewell Industries	38.06	23.16	-	-	38.06	23.16
Sale of Capital Goods	0.72	-	-	-	0.72	-
Radiant Leather Pvt Ltd	0.72	-	-	-	0.72	-
Rent Paid	16.80	16.80	3.00	3.00	19.80	19.80
Century Safety Wears Pvt. Ltd	16.80	16.80	-	-	16.80	16.80
Aditya Saraf	-	-	3.00	3.00	3.00	3.00
Purchase of Capital Goods	0.74	-	-	-	0.74	-
Rosinate India Company	0.74	-	-	-	0.74	-
Processing Charges	209.04	152.80	-	-	209.04	152.80
Acme Safetywears Limited	5.97	22.72	-	-	5.97	22.72
Radiant Leather Pvt Ltd	195.20	120.28	-	-	195.20	120.28
Rosinate India Company	7.87	9.80	-	-	7.87	9.80
Job work Income	-	2.48	-	-	-	2.48
Acme Safetywears Limited	-	2.48	-	-	-	2.48
Remuneration to KMP	-	-	146.10	146.62	146.10	146.62
Shri Krishan Saraf	-	-	60.00	60.00	60.00	60.00
Deo Kishan Saraf	-	-	48.00	48.00	48.00	48.00
Abhishek Saraf	-	-	26.00	26.00	-	26.00
Ravi Kumar Bahl	-	-	0.70	-	0.70	-
Bandhana Saha	-	-	2.76	5.42	2.76	5.42
Bishnu Kumar Kesan	-	-	8.64	7.20	8.64	7.20
Remuneration to others	-	-	55.96	51.86	55.96	51.86
Aditya Saraf	-	-	26.00	26.00	26.00	26.00
Utkarsh Saraf	-	-	16.00	12.75	16.00	12.75
Priya Saraf	-	-	3.60	3.60	3.60	3.60
S K Chakraborty	-	-	10.36	9.51	10.36	9.51
Dividend Paid	8.58	4.87	17.83	15.83	26.41	20.70
Director Sitting Fees	-	-	3.02	2.89	3.02	2.89
Rashi Saraf	-	-	0.68	0.72	0.68	0.72
Mukul Banerjee	-	-	0.35	0.54	0.35	0.54
Jadav Lal Mukherjee	-	-	0.49	0.25	0.49	0.25
Rajarshi Ghosh	-	-	0.78	0.84	0.78	0.84
Shankar Lal Bajaj	-	-	0.72	0.54	0.72	0.54
Balance as on 31st March						
Creditors / Payable	31.12	32.98	-	-	31.12	32.98
Acme Safetywears Limited	8.52	3.34	-	-	8.52	3.34
Rosinate India Company	-	0.82	-	-	-	0.82
Radiant Leather Pvt Ltd	22.60	28.82	-	-	22.60	28.82
Security Deposit	80.00	100.00	-	-	80.00	100.00
Century Safety Wears Pvt. Ltd	80.00	100.00	-	-	80.00	100.00

**NOTES TO THE FINANCIAL STATEMENTS****35. Additional Disclosure**

According Ministry of Corporate Affairs (MCA) had introduced changes in Schedule III to the Companies Act, 2013 vide its notification G.S.R. 207(E) dated 24th March, 2021, the following disclosures are given.

a. Revaluation of Property, Plant and Equipment and intangible assets.

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

b. Loans or Advances granted to Promoters, Directors, KMPs and Related Parties

During the period the Company has not granted any Loans or Advances to Promoters, Directors, KMPs and Related Parties.

c. Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d. Transaction with struck off companies

The Company does not have any material transaction with struck off Companies.

e. Pending filing of charges

The Company does not have any pending filing of charges.

f. Compliance with Approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial years.

g. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

h. Key Financial Ratio

Sl. No	Name of the Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23
1	Current Ratio	Current Assets	Current Liabilities	1.53	1.56
2	Debt-Equity Ratio	Total Debts	Shareholder's Equity	0.74	0.61
3	Debt Service Coverage Ratio	Earning available for debt Service	Debt Service	5.96	1.72
4	Return on Equity Ratio (%)	Net Profit after Tax	Average Shareholders Equity	11.46	13.65
5	Inventory Turnover Ratio	Sales	Average Inventory	3.33	3.76
6	Trade Receivables Turnover Ratio	Net Credit Sales	Average Receivable	6.83	7.74
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Payable	11.85	10.18
8	Net Capital Turnover Ratio	Net Sales	Working Capital	5.35	6.93
9	Net profit Ratio	Net Profit after Tax	Net Sales	4.03	3.93
10	Return on Capital Employed	Earning before interest and tax	Capital Employed	9.91	12.91
11	Return on Investment	Income generated from investments	Average Investment	NA	NA

Reason for Variance

Debt service coverage ratio has been improved, since the Company does not have any long term debts repayment obligation during current financial year. Further Debt service coverage ratio has been calculated by considering the interest paid by the Company upon the working capital loan(i.e. CC, EPC, BP).

**NOTES TO THE FINANCIAL STATEMENTS****i Compliance with number of layers of investments**

The Company has complied with number of layers of investments.

j Details of Benami Property held

The Company does not hold any Benami Property and there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given.

k Utilization of Borrowed Funds and Share Premium

(i) 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(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall; Directly or indirectly lent or invest in other person(s) or entity (ies) identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) Or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the company shall. Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Hence no disclosure required.

l Undisclosed Income

The Company does not have any undisclosed Income which was not recorded in the books of accounts and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions. Also the Company does not have previously unrecorded income and related assets which were required to be properly recorded in the books of accounts during the year

m Borrowings secured against current assets

In respect of borrowings from banks or financial institutions on the basis of security of current assets, the quarterly returns or statements of current assets filed by the Company with them are in agreement with the books of accounts.

n Details of title deeds of Immovable Properties not held in the name of the Company

The title deeds of immovable property (other than properties where the company is the lessee and the lease agreement are duly executed in favour of lease) are held in the name of the Company.

36. Financial Instruments and Related Disclosures**1. Capital Management**

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of Financial Instruments

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2024		As at 31st March, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets					
a) Measured at amortised cost					
i) Cash and cash equivalents	10	55.05	55.05	28.62	28.62
ii) Other bank balances	11	24.91	24.91	50.20	50.20
iii) Loans	5	12.14	12.14	11.93	11.93
iv) Trade receivables	9	3,369.01	3,369.01	2,843.26	2,843.26
v) Other financial assets	6	26.09	26.09	9.36	9.36
Sub-total		3,487.20	3,487.20	2,943.37	2,943.37
b) Measured at Fair value through OCI					
i) Equity shares	4	0.04	0.04	0.04	0.04
Sub-total		0.04	0.04	0.04	0.04
Total financial assets		3,487.24	3,487.24	2,943.41	2,943.41



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2024		As at 31st March, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
B. Financial Liabilities					
a) Measured at amortised cost					
i) Cash credit facilities	15	5,839.59	5,839.59	4,275.10	4,275.10
ii) Trade payables	18	1,224.33	1,224.33	1,268.22	1,268.22
iii) Other financial liabilities	19	61.82	61.82	32.81	32.81
Sub-total		7,125.74	7,125.74	5,576.13	5,576.13
Total financial liabilities		7,125.74	7,125.74	5,576.13	5,576.13

C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Liquidity Risk

The Company's Current assets aggregate to ₹ 11,397.51 Lakhs (2023 - ₹ 9,267.58 Lakhs) including Cash and cash equivalents and Other bank balances of ₹ 79.96 Lakhs (2023 - ₹ 78.82 Lakhs) against an aggregate Current liability of ₹ 7,429.88 Lakhs (2023 - ₹ 5,955.28 Lakhs); Non-current liabilities due between one year to three years amounting to ₹ 245.78 Lakhs (2023 - ₹ 251.45 Lakhs) and Non-current liability due after three years amounting to ₹ 3.73 Lakhs (2023 - ₹ 9.90 Lakhs) on the reporting date.

Further, while the Company's total equity stands at ₹ 7,880.53 Lakhs (2023 - ₹ 7,039.43 Lakhs), it has borrowings of ₹ 15.84 Lakhs (2023 - ₹ 23.87 Lakhs). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

Market Risks

The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Senior officer that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist personnel's that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks.

Foreign currency risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar & Euro) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, including the Company's net investments in foreign operations (with a functional currency other than Indian Rupee), are also subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows :



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	USD	Euro
As at 31st March, 2024		
Financial Assets	19.13	5.03
Financial Liabilities	2.86	0.38
As at 31st March, 2023		
Financial Assets	13.29	5.94
Financial Liabilities	13.69	0.39

D. Fair value measurement**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair Value Hierarchy (Level)	Fair Value	
		As at 31st March 2024	As at 31st March 2023
A. Financial assets			
a) Measured at amortised cost			
i) Loans*	5	12.14	11.93
ii) Other Financial assets*	6	26.09	9.36
Sub-total		38.23	21.29
b) Measured at Fair value through OCI			
i) Equity shares - Un-Quoted	4	0.04	0.04
Sub-total		0.04	0.04
Total financial assets (a+b)		38.27	21.33
B. Financial liabilities			
a) Measured at amortised cost			
i) Other Financial liabilities*	19	61.82	32.81
Sub-total		61.82	32.81
Total financial liabilities		61.82	32.81

*Represents Fair value of Non-current Financial Instruments

37. The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

38. Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on 22nd May, 2024.

In terms of our report attached

For **SRB & ASSOCIATES**

Chartered Accountants

Firm Reg. No.310009E

Biswanath Paul

Partner

Membership No. 068186

UDIN : 24068186BJZYBQ4562

Place : Kolkata

Date : 22nd May, 2024

For and on behalf of the Board of Directors

Shri Krishan Saraf

Managing Director

DIN 00128999

Bishnu Kumar Kesan

Chief Financial Officer

Deo Kishan Saraf

Whole Time Director

DIN 00128804

Ravi Kumar Bahl.

Company Secretary

M. No.- F1962

[illegible]



ACKNIT INDUSTRIES LIMITED
CIN : L01113WB1990PLC050020

Registered Office : "Ecostation", Block - BP, Plot No.7, Sector V,
5th Floor, Suit No.504, Salt Lake, Kolkata – 700091

Phone No. : (033)2367-5555

Email : cs@acknitindia.com, **Website :** www.acknitindia.com

Form No MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) : _____

Registered address : _____

E-mail Id : _____

Folio No. / DP ID / Client Id : _____

I / We, being the member (s) ofshares of Acknit Industries Limited, hereby appoint

1. Name : Address.....

E-mail ID : Signatureor failing him/her,

2. Name : Address.....

E-mail ID : Signatureor failing him/her,

3. Name : Address.....

E-mail ID : Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on **Wednesday, 18th September, 2024 at 12:40 p.m.** at '**Gyan Manch**', **11, Pretoria Street, Kolkata – 700071** and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the Reports of the Directors and the Auditors thereon.		
2.	Declaration of dividend of ₹ 1.50 per equity shares of ₹ 10/- each for the Financial Year ended 31st March, 2024.		
3.	Appointment of a Director in place of Mr. Abhishek Saraf (DIN: 00129144), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
4.	Approval for Material Related Party Transaction (s).		

Signed this.....day of.....2024

Signature of Shareholder(s)

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

Note :

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the Meeting.

*2. It is optional to put a '✓' in the appropriate column against the Resolution as indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



If undelivered please return to :
ACKNIT INDUSTRIES LIMITED

REGISTERED OFFICE :

"Ecostation", Block - BP, Plot No. 7, Sector - V
5th Floor, Suit No. 504, Saltlake, Kolkata - 700 091

Ph : (033) 2367-5555

E-mail : calcutta@acknitindia.com

Website : www.acknitindia.com