

CG Adhesive Products Limited



ANNUAL REPORT 2023-2024

BOARD OF DIRECTORS

Mr. Ramesh Kumar (w.e.f. 10th January, 2024)
Mr. Susheel Todi
Mr. Arindam Banerjee – Executive Director

REGISTERED OFFICE & WORKS

215, GIDC Industrial Estate, Kundaim, Goa. 403 115.

AUDITORS

M/s CNK & Associates LLP, Chartered Accountants

BANKERS

Bank of Baroda

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CG ADHESIVE PRODUCTS LIMITED

(CIN: U24295GA1988PLC000921)

Registered Office: 215, GIDC Industrial Estate, Kundaim, Goa - 403 115

Email: accounts@cgapl.com Website: www.cgapl.com

Phone: 0832-2395210 Fax: 0832-2395308



NOTICE

NOTICE is hereby given that the 36th (Thirty Sixth) Annual General Meeting ('AGM' or 'Meeting') of the Members of **CG ADHESIVE PRODUCTS LIMITED** ('the Company') will be held on Friday, 27th September, 2024 at 02:00 p.m. at the Registered Office of the Company at 215, GIDC Industrial Estate, Kundaim, Goa - 403 115, to transact the following businesses:

ORDINARY BUSINESS:Adoption of Audited Financial Statements for the financial year ended 31st March, 2024

1. To consider and, if deemed fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31st March, 2024, the reports of the Board of Directors and Auditors thereon, be and are hereby received and adopted.”

Re-appointment of Director retiring by Rotation

2. To re-appoint Mr. Susheel Todi (DIN: 05342709), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mr. Ramesh Kumar (DIN: 08257872) as a Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provision of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the Rules made thereunder (including statutory modification(s) or re-enactments(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Ramesh Kumar (DIN: 08257872) who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, with effect from 10th January, 2024 and who holds office up to the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature as Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.”

By Order of the Board of Directors

Arindam Banerjee
Executive Director
DIN: 10140423

Goa, 30th August, 2024A
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NOTES:**(a) Proxy(ies):**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 36th ANNUAL GENERAL MEETING (MEETING' or 'AGM') IS ENTITLED TO APPOINT ONE OR MORE PROXY/IES TO ATTEND AND VOTE ON HIS/HER BEHALF ON A POLL AND SUCH PROXY/IES NEED NOT BE MEMBER/S OF THE COMPANY. Proxy/ies, in order to be effective must be received by the Company, duly filled, signed (in pen) and stamped, not less than 48 hours before the Meeting. A person can act as a Proxy on behalf of Members not exceeding 50 and or such number of Members 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. If a person is appointed as Proxy for more than 50 Members, he/she shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.

The Proxy Form in the prescribed format is being sent.

During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the Proxy (ies) lodged, between 9.00 a.m. (IST) to 6:00 p.m. (IST) provided that not less than 3 days' prior notice in writing is given to the Company in this regard.

A Proxy, if not complete in all respects, will be considered invalid.

(b) Unclaimed/Unpaid Dividends and Shares:

During the financial year 2023-24, in terms of the provisions of Sections 124 and 125 of the Companies Act, 2013 (**'the Act'**) and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (**'IEPF Rules'**), the dividend(s) which have remained unclaimed/unpaid for a period of 7 (seven) consecutive years and the corresponding equity shares have been transferred to the Investor Education and Protection Fund (**'IEPF'**) and Investor Education and Protection Fund Authority respectively.

Further, in compliance with the IEPF Rules, the Company had communicated individually to all the concerned shareholders at their registered addresses, whose share(s) were liable to be transferred to IEPF Demat Account for taking the appropriate action(s). Additionally Notices were also published in the newspapers in this regard.

The Company has transferred dividend(s) declared up to financial year 2015-16. Unpaid/unclaimed Dividend(s) pertaining to the financial years 2016-17 onwards which, if remain unclaimed/ unpaid for a period of seven years is due to be transferred to IEPF on the dates given below:

Financial Year	Date of declaration of Dividend	Due date for transfer to IEPF
2016-17	4 th August, 2017	3 rd September, 2024
2017-18	7 th September, 2018	6 th September, 2025
2018-19	16 th August, 2019	15 th September, 2026

Pursuant to the IEPF Rules, the Company has uploaded details of unpaid and unclaimed dividend amount(s) lying with the Company as on 29th September 2023 (date of previous Annual General Meeting) in the Investors section on the website of the Company www.cgapl.com and also on the website of Ministry of Corporate Affairs (MCA) www.iepf.gov.in. Members are requested to visit the website of the Company and/or MCA to check the status of their unpaid/unclaimed dividends and shares and are requested to contact Datamatics Business Solutions Limited, the Registrar and Share Transfer Agent of the Company to claim the same.

(c) Details of re-appointment of Director:

Mr. Susheel Todi, Non-Executive Director, shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Brief details of Mr. Susheel Todi pursuant to Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India, are provided as an Annexure to this Notice.

(d) Explanatory Statement:

An Explanatory Statement as per Section 102 of the Act in respect of the business under Item No. 3 of this Notice, proposed to be transacted at the Meeting and relevant information with respect to Directors seeking re-appointment at the Meeting under Item No. 2 of this Notice, as required by the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

(e) Corporate Representations:

Pursuant to the provisions of Section 113 of the Act, Body Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send, to the Company, a certified copy of the Resolution of its Board or other governing authority authorising their representative(s) together with the respective specimen signature(s) of those authorised representative(s) authorised to attend and vote on their behalf at the Meeting.

(f) Route Map:

As per requirements of the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, a route map showing directions to reach the venue for the Meeting is given at the end of this Notice.

(g) Inspection of Documents:

All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m. (IST)) on all working days, upto and including the date of the Meeting of the Company.

(h) Registrar & Share Transfer Agent & Investor Services Department:

The Company's Registrar & Share Transfer Agent is Datamatics Business Solutions Limited ('DBSL'). In addition to the Registrar & Share Transfer Agent, the Company is happy to assist in case of any difficulties being experienced by the Members in their interaction with DBSL.

For any communication, the Members may send an e-mail to the Company at admin@cgapl.com.

(i) Dematerialization of Shares:

Attention is drawn to the Notification issued by Ministry of Corporate Affairs ('MCA') which has mandated that transfer of securities would be carried out only in dematerialized form.

Members are therefore requested to dematerialize their physical holdings. For any clarification, assistance or information relating to dematerialization of Company's shares, please contact the Company's RTA, DBSL at Tel No. 022-66712001 to 6671 2006 or e-mail at cginvestors@datamaticsbpm.com

(j) Miscellaneous:

The Members are requested to:

1. Intimate to the Company changes, if any, at the Company's Registered Address promptly.
2. Quote Member's Register Folio No./DP Id/ Client Id/Beneficiary Id. in all their correspondence shared with the Company.
3. Bring their valid identity proof such as PAN Card, Passport, Aadhar Card or Driving License at the time of the Meeting for identification purpose and the copy of their Annual Report and attendance slip duly filled in and signed for attending the Meeting. Members who have not registered their e-mail addresses with the Company can now register the same by sending the duly filled in and signed e-mail registration form attached to this Notice. Even after registering for e-communication, Members are entitled to receive such communication in physical form upon making a written request for the same.

By Order of the Board of Directors

Arindam Banerjee
Executive Director
DIN: 10140423

Goa, 30th August, 2024

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Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 (**'Act'**) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the following Explanatory Statement and annexure thereto should be taken as forming part of this Notice.

Item No. 3

The Board of Directors of the Company had, at its meeting held on 10th January, 2024, appointed Mr. Ramesh Kumar (DIN: 08257872) as an Additional Director in the capacity of Director of the Company with effect from 10th January 2024. In terms of the provisions of Section 161 of the Act, Mr. Ramesh Kumar holds office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing from a Member proposing candidature of Mr. Ramesh Kumar for the office of the Director of the Company.

Mr. Ramesh Kumar is an Electrical Engineering Graduate from Motilal Nehru National Institute of Technology, Allahabad. He has also done Senior Management Development Program at IIM Ahmedabad. He is associated with CG Power and Industrial Solutions Limited ("CG") from the year 1990. He is currently President- Industrial Business at CG, which contributes 60%+ to total CG Business. He has around 37+ years of rich experience in sales and Marketing & Business Management. He was also Elected Member of ELCOMA (Electrical Lamp and Component Manufacturers Association) from 2012 to 2015 and Vice President of IFMA (Indian Fan Manufacturers Association) from 2014 -15.

In view of the above and in terms of the applicable provisions of the Act, Mr. Ramesh Kumar is proposed to be appointed as a Director of the Company, liable to retire by rotation.

Except for Mr. Ramesh Kumar, being an appointee, none of the other Directors of the Company or their relatives, are in any way, financially or otherwise, concerned or interested in the said Ordinary Resolution set out at Item No. 3 of the accompanying Notice except to the extent of their shareholding in the Company, if any. Mr. Ramesh Kumar does not hold any shares in the Company.

Other details in relation to appointment of Mr. Ramesh Kumar as stipulated under Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, are provided in the Annexure to this Explanatory Statement.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

By Order of the Board of Directors

Arindam Banerjee
Executive Director
DIN: 10140423

Goa, 30th August, 2024

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ANNEXURE TO ITEM NUMBER 2 and 3 OF THE NOTICE CONVENING THE 36th ANNUAL GENERAL MEETING OF THE COMPANY

Details of Director seeking re-appointment at the 36th Annual General Meeting pursuant to Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India

Name of the Director	Mr. Susheel Todi	Mr. Ramesh Kumar
DIN	05342709	08257872
Nationality	Indian	Indian
Date of First Appointment on the Board of Directors	14th July, 2021	10th January, 2024 as an Additional Director
Age	46 years	61 years
Qualifications	Chartered Accountant from ICAI	Electrical Engineering Graduate from Motilal Nehru National Institute of Technology, Allahabad. He has also done Senior Management Development Program at IIM Ahmedabad.
Capacity	Non - Executive Director	Additional Director
Expertise in Specific Functional Areas	Expertise in the areas of finance, taxation, accounting, fund raising, mergers and acquisitions, audit, legal, and compliances.	Mr. Ramesh Kumar is associated with CG Power and Industrial Solutions Limited ("CG") from the year 1990. He is currently President- Strategic Businesses at CG, which contributes 60%+ to total CG Business. He has around 37+ years of rich experience in sales and Marketing & Business Management. He was also Elected Member of ELCOMA (Electrical Lamp and Component Manufacturers Association) from 2012 to 2015 and Vice President of IFMA (Indian Fan Manufacturers Association) from 2014 -15.
List of Directorships held in other Companies	<ul style="list-style-type: none"> • CG Power Equipments Limited • QEI, LLC • CG Power Americas LLC • CG Drives and Automation Sweden AB 	<ul style="list-style-type: none"> • RIR Power Electronics Limited • CG Industrial Holdings Sweden AB • CG Drives and Automation Germany Gmbh • CG Drives and Automation Netherlands BV • CG Drives and Automation Sweden AB
Chairperson/Member in the Committees of the Boards of Indian Companies in which he is a Director	None	None
Terms and Conditions of appointment/re-appointment	Appointed as a Non- Executive Director subject to retirement by rotation.	Kindly refer to explanatory statement of this Notice at Item No. 3
Resignation from listed entities in the past three years	Nil	NIL
Number of shares held in the Company, including shareholding as a beneficial owner	Nil	NIL
Last drawn remuneration	Nil	NIL
Number of Board meetings attended during the year	7	1
Justification for choosing the individual for appointment as an Independent Director	Not Applicable	Not Applicable
Relationship with other Directors'/ KMPs'	Not related to any Director	Not related to any Director

Goa, 30th August, 2024

By Order of the Board of Directors

Arindam Banerjee
Executive Director
DIN: 10140423

CG ADHESIVE PRODUCTS LIMITED**(CIN: U24295GA1988PLC000921)****Registered Office:** 215, GIDC Industrial Estate, Kundaim, Goa - 403 115Email: accounts@cgapl.com Website: www.cgapl.com**Phone:** 0832-2395210, **Fax:** 0832-2395308

Date:

Dear Shareholder(s),

Sub: Registration of e-mail address

In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, we request you to kindly register your e-mail id in order to receive the Notices of future Annual General Meetings, Annual Report and other correspondences of the Company in electronic form, by sending a duly filled in and signed copy of the below registration form to the Company's Registrar and Share Transfer Agent 'Datamatics Business Solutions Limited' at Plot No. B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai 400 093.

Shareholders who hold shares in dematerialized form are requested to approach the concerned Depository Participant for updating/modifying their e-mail id(s) as the case may be.

For CG Adhesive Products Limited

Arindam Banerjee
Executive Director
DIN: 10140423

**E-MAIL REGISTRATION FORM**

To* :

The Company (for Shareholders holding shares in physical mode)

The Depository Participants (for Shareholders holding shares in dematerialized form)

Sub: Registration of e-mail address - CG Adhesive Products Limited

I/We would like to receive Notices, Annual Reports and other communications/documents from the Company in electronic mode. I/We request you to register my/our e-mail address for receiving communications/documents electronically as per the following details:

Name of the Shareholder(s)	
Folio No/DP ID/Client ID	
E-mail address	
Mobile No	

Date:

Place:

Signature of the Shareholder(s)#

* Please tick as applicable.

Please ensure that the form is signed by the registered Shareholder alongwith Joint Shareholder(s), if any.

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CG ADHESIVE PRODUCTS LIMITED
(CIN: U24295GA1988PLC000921)

Registered Office: 215, GIDC Industrial Estate, Kundaim, Goa - 403 115
Email: accounts@cgapl.com **Website:** www.cgapl.com
Phone: 0832-2395210, **Fax:** 0832-2395308



ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

..... Name of the attending Member (In Block Letters) Member's Folio No/DP Id/Client Id /Beneficiary Id
No. of shares held.....	
Name of the Proxy (In Block Letters) (to be filled if the Proxy attends instead of the Member)	

I/We hereby record my/our presence at the 36th Annual General Meeting of the Company to be held on Friday, 27th September, 2024 at 02.00 p.m. (IST) at the Registered Office of the Company at 215, GIDC Industrial Estate, Kundaim, Goa 403 115.

.....
Member's/Proxy Signature

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CG ADHESIVE PRODUCTS LIMITED
(CIN: U24295GA1988PLC000921)

Registered Office: 215, GIDC Industrial Estate, Kundaim, Goa - 403 115
Email: accounts@cgapl.com **Website:** www.cgapl.com
Phone: 0832-2395210, **Fax:** 0832-2395308



PROXY FORM

(Form No. MGT-11 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):
(including joint holders)
Registered address:
Email Id:
Folio No/ DP Id/Client Id:

I/We, being the member(s) ofshares of the above named Company, hereby appoint

1. Name:.....Address:.....E-mail ID:.....
.....Signature:.....or failing him;
2. Name:.....Address:.....E-mail ID:.....
.....Signature:.....or failing him;
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 36th Annual General Meeting of the Company, to be held on Friday 27th September, 2024 at 02.00 p.m. (IST) at the Registered Office of the Company at 215, GIDC Industrial Estate, Kundaim, Goa 403 115 including any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	Voting Preference <i>(optional see note 3 below and please mention number of shares)</i>		
		For	Against	Abstain
1.	Adoption of Audited Financial Statements for the financial year ended 31 st March, 2024.			
2.	Re-appointment of Director retiring by Rotation.			
3.	Appointment of Mr. Ramesh Kumar (DIN: 08257872) as a Director of the Company.			

Signed this..... day of..... 2024 Signature of shareholder _____

Signature of first proxyholder Signature of second proxyholder Signature of third proxyholder

NOTES:

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. For the Resolutions, Explanatory Statement, Notes and filling instructions please refer to the Notice of 36th Annual General Meeting of the Company.
3. Please complete all details of Member(s) in above box before submission.
4. It is optional to indicate your preference, if you leave the 'For', 'Against' or 'Abstain' column blank against all or any resolutions, your proxy will be entitled to vote in the manner as he/she deems appropriate in case of poll.

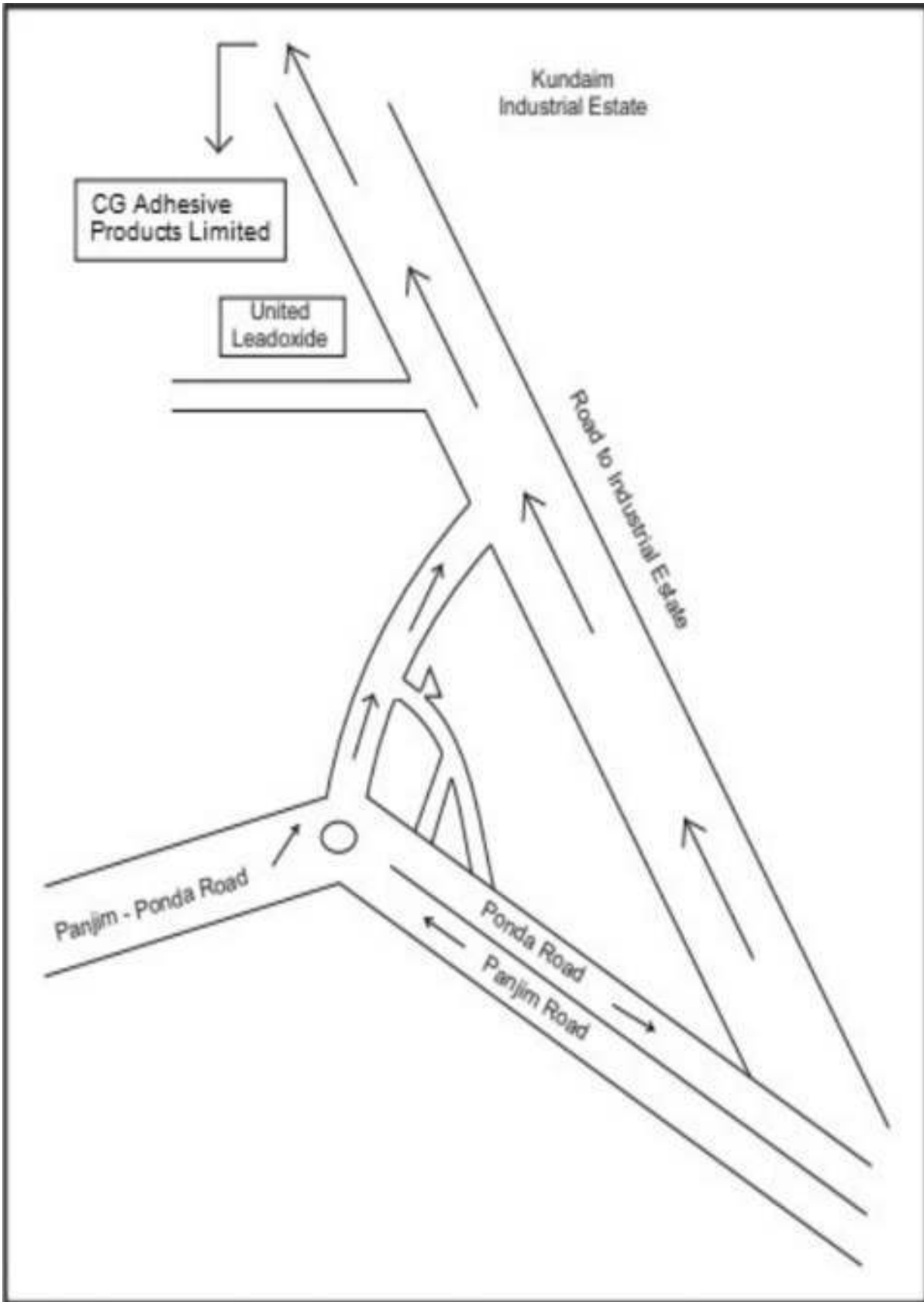
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ROUTE MAP TO THE VENUE OF THE 36th ANNUAL GENERAL MEETING



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DIRECTORS' REPORT

Dear Members,

Your Directors present 36th (Thirty Sixth) report on the business and operations of CG Adhesive Products Limited (**'the Company'**) along with Annual audited financial statements of the Company for the financial year ended 31st March, 2024.

1. Financial Highlights

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
Profit Before Depreciation, exceptional and extra ordinary items & Tax	548.63	346.29
Less: Depreciation, amortization and obsolescence	61.60	56.51
Add: Transfer from Revaluation Reserve	-	-
Profit before exceptional and extraordinary items and tax	487.03	289.78
Add: Exceptional Items		
Profit before tax	487.03	289.78
Less: Provision for tax	123.31	74.02
Profit after tax	363.72	215.76
Add/(Less): Other comprehensive income	-2.86	0.06
Add: Balance brought forward from previous year	1906.64	1690.82
Available Profit	2267.50	1906.64
Less : Transfer to General Reserve	-	-
Less: Dividend (Including dividend distribution tax)	-	-
Balance carried to Balance Sheet	2267.50	1906.64

There was no change in the Share Capital of the Company during the year under review.

2. Particulars of loans given, investments made, guarantees given or security provided by the Company

The Company has not granted any loan or given guarantee or security or made any investments during the year under review.

3. Public Deposits

During the year under review, your Company has not accepted, invited and/or received any deposits from the public within the meaning of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

4. Particulars of Contracts or Arrangements with related parties

All the related party transactions entered into by the Company during the financial year under review were in the ordinary course of business, on an arm's length basis and non- material. Hence disclosure in Form AOC- 2 is not applicable to the Company.

5. State of Company's Affairs

The total revenue of the Company for the financial year under review amounted to Rs. 30.26 Crores (net of GST) as against Rs. 23.59 Crores (net of GST) for the previous financial year, registering a increase of Rs. 6.67 Crore. The Profit of Rs. 4.87 Crore and the Profit after tax amounted to Rs. 3.63 Crore for the financial year under review as against Profit of Rs. 2.89 Crore and Rs. 2.15 Crore respectively for the previous financial year.

There was no change in the nature of business of the Company during the year under review.

6. Details of subsidiaries and Associates

The Company does not have any subsidiaries or associates.

7. Amount to be carried to reserve

In terms of section 123 of the Company Act, 2013, the Company does not propose to transfer any amount to General Reserves for the year ended 31st March, 2024.

8. Dividend

The Board of Directors of your company, after considering the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

9. Material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report.

There were no material changes and commitments that affect the financial position of the Company, between the end of the financial year and the date of this Report.

10. Conservation of Energy, Technology absorption, foreign exchange earnings and outgo

As required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the particulars in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are attached as **Annexure 1** to this Report.

11. Details of Directors and Key Managerial Personnel appointed/resigned during the year**Composition of Board of Directors**

As on the date of this report, your Company's Board of Directors consists of three directors' i.e. Mr. Ramesh Kumar, Mr. Susheel Todi and Mr. Arindam Banerjee.

Retirement of Director

During the period under review, Mr. Ranjan Singh had resigned as a Director of the Company w.e.f. closed of business hours on 10th January, 2024. The Board places on record appreciation for the valuable contribution made by him during his tenure as Director of the Company.

Appointment of Director

During the period under review, Mr. Arindam Banerjee was appointed as the Executive Director w.e.f. 1st May, 2023. Mr. Ramesh Kumar was appointed as an Additional Director of the Company w.e.f 10th January, 2024 and his appointment as Director is proposed to the Members for their approval at the ensuing Meeting.

Retirement by rotation

As on the date of this report, the Board of the Company comprises of 3 Directors namely Mr. Ramesh Kumar Mr. Susheel Todi and Mr. Arindam Banerjee. Out of the 3 Directors only Mr. Susheel Todi is liable to retire by rotation. Accordingly, Mr. Susheel Todi shall retire by rotation at the ensuing Annual General Meeting of the Company.

In terms of the provisions of Section 152 of the Companies Act, 2013 and the Rules made thereunder, Mr. Susheel Todi, Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. As per the Secretarial Standards-2 on General Meetings issued by the Institute of Companies Secretaries of India, a brief profile and other relevant disclosures made in the Notice of the ensuing Annual General Meeting with respect to their re-appointment.

Key Managerial Personnel ('KMP')

Pursuant to Rule 8 of the Companies (Appointment and Remuneration) Rules, 2014 lays down that every Listed Company and every other Public Company having a Paid up Capital of Rs. 10/- Crore or more shall have Whole-time Key Managerial Personnel's. Thus, the Company is not required to appoint Key Managerial Personnel as per the requirements of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

12. Number of Meetings of the Board of Directors

During the year under review four Board Meetings were held on 26th April, 2023; 15th June, 2023; 20th July, 2023; 31st August, 2023; 16th October, 2023, 10th January, 2024 and 16th January, 2024. The details of the attendance of the Directors at Board Meetings are as under:

Name of the Director	No. of Meetings attended
Mr. Ramesh Kumar	1*
Mr. Susheel Todi	7
Mr. Arindam Banerjee	7

* Mr. Ramesh Kumar was appointed on 10th January, 2024

13. Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

14. Directors Responsibility Statement

The Board of Directors of the Company confirms that:

- the Annual Accounts have been prepared in conformity with the applicable Accounting Standards along with proper explanations relating to material departures;
- the Accounting Policies selected and applied on a consistent basis and judgments and estimates made are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2024 and of the profit of the Company for the financial year ended 31st March, 2024;
- proper and sufficient care has been taken to maintain adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis;
- the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

15. Audit, Nomination and Remuneration and Corporate Social Responsibility Committee

The Company is not required to constitute Audit Committee as well as Nomination and Remuneration Committee as prescribed under section 177 and 178 of the Companies Act 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014. Further, the Company is also not required to constitute a Corporate Social Responsibility Committee as prescribed under Section 135 of the Companies Act, 2013.

16. Risk Management Policy

The Company is a subsidiary of CG Power and Industrial Solutions Limited ('CG') and continues to abide by CG's Group Risk Management Policy which is applicable to all CG Group companies. Accordingly, the Board periodically reviews the risk assessment and minimization procedure in the areas of business.

17. Auditors and Audit Reports

M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No.101961W/W- 100036) the Statutory Auditors of the Company, were appointed at the 34th Annual General Meeting (AGM) of the Company for a term of five years. The Auditors Report on the Financial Statements of the Company for the year ended 31 March 2024 does not contain any qualifications, reservations, adverse remarks or disclaimers. Further, there have been no instances of frauds reported by the Auditors during the year under review.

18. Reporting of Frauds by the Auditors

During the year under review, the Statutory Auditors of the Company have not reported any matter under Section 143(12) of the Act. Therefore, disclosure in terms of Section 134(3)(ca) of the Act is not applicable.

19. Secretarial Audit

The provisions of Section 204 of the Companies Act, 2013 regarding Secretarial Audit are not applicable to the Company.

20. Internal Financial Controls

The Company has in place effective and efficient internal financial controls and these controls are operating effectively.

21. Sexual Harassment Policy

CG Power and Industrial Solutions Limited, the Holding Company has adopted a Sexual Harassment Policy and constituted an Internal Complaint Committee in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 which is applicable to the Company. The Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. All employees of the Company are covered under this policy. The Company is in compliance with Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

During the year under review, no complaints of sexual harassment at workplace were received.

22. Vigil Mechanism

The Company has adopted a vigil mechanism viz. Whistle Blower Policy of CG Power and Industrial Solutions Limited, our Holding Company which extends to all its subsidiaries.

During the year under review, no complaints have been reported.

23. Other Disclosure/Reporting**a) Insolvency and Bankruptcy Code**

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year.

b) Onetime settlement with any bank or financial Institution

During the year under review, the Company has not entered into one-time settlement with any banks or financial institutions.

24. Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, a copy of the Annual Return of the Company as on 31st March 2024 is placed on the website of the Company and the same is available at www.cgapl.com

25. Acknowledgement

Your Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities and the various stakeholders for their continued co-operation and support to the Company.

On behalf of the Board of Directors

Date: 30th August, 2024

Ramesh Kumar Director DIN: 08257872 Place: Mumbai	Arindam Banerjee Executive Director DIN: 10140423 Place: Goa
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ANNEXURE 1 TO THE DIRECTORS' REPORT

Particulars with respect to Conservation of Energy, Technology absorption, foreign exchange earnings and outgo

➤ **CONSERVATION OF ENERGY**

a. Steps taken for Energy conservation

- Optimized utilization of energy by improving operational efficiencies.
- Replacement of Sodium Vapour Lamps with LED .
- Power factor consistently maintained at unity throughout the year

b. Steps taken by the Company for utilizing alternate sources of energy

- Use of natural gas instead of bio fuel.

c. The capital investment on energy conservation equipment - Nil

➤ **TECHNOLOGY ABSORPTION**

1. Efforts made toward technology absorption

The Company is constantly focused on continuous improvement in existing products, developing new products as per customer requirement and adopting innovative methods to provide cost effective quality products.

Research and Development (R & D) efforts have enhanced the quality of existing products, led to the development of new Laminates and die cuts and increased clientele.

2. Benefits derived as a result of the above R&D efforts

- Development of Mica Glass Fabric Tape for Traction Motor Industry
- Development of Polyester Glass Tape for Traction and HT Motor Industry

3. Future plan of action

Your Company will focus to drive profitable accelerated growth by

- Adding new Product lines: Mica based Tapes, Laminates, Label Stock, D/S tapes, Foam Tapes, Tissue Tapes
- Focus to penetrate new market segments: Automotive, Appliances, Industrial, Construction, EV
- Win New Key Accounts in other than Electrical Market segment
- Set up retail market strategy for expanding geographical reach
- Productivity improvement by deploying LEAN.

Your Company will be adding following capabilities & capacities

- New Coating Lines to double the coating capacity
- Additional headcount in Marketing, R&D & Quality, Manufacturing
- New Screen Printing Machine
- Upgrade Old Plant Building and increase R&D Lab Floor Space
- Set up Solvent recovery Plan

4. Expenditure on R&D

Rs.30,88,318/- (absorbed in operational cost) which is 0.87 % of the gross sales.

5. Imported Technology

The Company has not imported any technology during the last five financial years and hence, disclosures as regards this item is not applicable.

➤ **FOREIGN EXCHANGE EARNINGS & OUTGO**

Total Foreign exchange earned and used:

- | | |
|----------------------------------|-------------------|
| I. Total foreign exchange earned | Rs. 2,04,767/- |
| II. Total foreign exchange used | Rs. 3,27,45,091/- |

On behalf of the Board of Directors

Date: 30th August, 2024

Ramesh Kumar Director DIN: 08257872 Place: Mumbai	Arindam Banerjee Executive Director DIN: 10140423 Place: Goa
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INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF CG ADHESIVE PRODUCTS LIMITED****Report on the audit of the Financial Statements****Opinion**

We have audited the financial statements of **CG Adhesive Products Limited** ("the Company"), which comprises of the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information. (Hereinafter referred to as "financial statements").

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the financial statements and Auditors report thereon

The Company's Management and the Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Management and the 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from

material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements 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 and Board of Directors;
- Conclude on the appropriateness of the Management and Board of directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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;

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (Also refer our comments in para 2(h) (vi));
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended;
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial Controls with reference to financial statements;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- (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 as amended, 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 – (Refer Note 29 to the financial statements).-
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
 - iii. There has been no delay in transferring amounts, 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, and as disclosed in Note 43 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, , as disclosed in note 43 to the financial statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
- v. The Company neither declared nor paid dividend during the year hence section 123 of the Companies Act, 2013 is not applicable.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during our audit we did not come across any instances of audit trail feature being tampered with.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036

Vijay Mehta
Partner
Membership No: 106533
UDIN: 24106533BKCEMG 9882
Place: Mumbai
Date: 29th April 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under “Report on other Legal and Regulatory requirements” in the Independent Auditor’s Report of even date to the members of CG ADHESIVE PRODUCTS LIMITED (“the Company”) on the financial statements for the year ended 31st March 2024)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in normal course of audit, we state that:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible assets:
- (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment;
 - B. The Company is maintaining proper records showing full particulars of Intangible assets;
 - (b) The property, plant and equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
 - (c) The title deeds of all the immovable properties which are freehold are held in the name of the Company;
 - (d) The Company has not revalued any of its Property Plant and Equipment or Intangible Assets during the year. The Company does not have Right of Use Assets. Accordingly reporting under clause 3 (i) (d) of the Order, is not applicable to the Company;
 - (e) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company does not have any proceedings initiated or pending for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;
- (ii) (a) Inventory has been physically verified by the management during the year and in our opinion the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in aggregate for each class of inventory which were noticed on such verification;
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate during the year from Banks on the basis of security of current assets. Hence, reporting under clause 3 (ii) (b) of the order is not applicable to the company;
- (iii) (a) The Company, during the year, has not made investments in, provided any guarantee or security, to companies, firms, limited liability partnerships or any other entities. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the company;
- (b) The Company, during the year, has not made investments, provided guarantees or given security. In respect of loans and advances in the nature of loan given to the holding company in the earlier years, prima facie, the terms and conditions of the grant of loan are not prejudicial to the Company’s interest;
- (c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date;
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties; and
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on

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demand or without specifying any terms or period of repayment during the year. Hence, reporting under Clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) The Company has neither granted any loans, made Investments, or provided guarantee or security to any party during the year to which the provisions of sections 185 and 186 are applicable;
- (v) The Company has not accepted any deposits or the amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence reporting under clause 3(v) of the Order is not applicable;
- (vi) The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2016, and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013;
- (vii) (a) In our opinion the Company has been generally regular in depositing undisputed statutory dues, including provident fund, employees state insurance fund, Income tax, goods and service tax, customs duty, cess and other material statutory dues applicable to it with appropriate authorities. There were no undisputed amounts payable in respect of provident Fund, employees state insurance fund, income tax, goods and services tax, customs duty, cess and other material statutory dues in arrears as at 31st March 2024 for a period of more than six months from the date they became payable;
- (b) Details of statutory dues referred to above which have not been deposited as on 31st March, 2024 on account of dispute are given below:

(Amount Rs. Lakhs)

Name of statute	Nature of dues	Amount in dispute*	Period to which amount relates	Forum where the matter is pending
The Income Tax Act, 1961	(i) Tax, Interest and Penalty	0.15	AY 2005-06 to AY 2008-09 AY 2017-18	Income Tax Officer (TDS) Panaji
	(ii) Dividend Distribution Tax	17.55		National E-assessment Centre
The Central Sales Tax Act, 1956, Local Sales Tax Acts and Works Contract Act	(i) Tax, Interest and Penalty	2.81	AY 2007-08	Additional Commissioner of Commercial Tax, Panaji
		44.96	AY 2012-13	
		35.24	AY 2014-15	
		11.06	AY 2016-17	Asst. Commissioner of Commercial Tax, Ponda

(excluding amount paid under protest of Rs. 9.50 lakhs)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961;
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not availed loans or other borrowings from any lender. Hence, reporting under Clause 3(ix)(a) of the Order is not applicable to the Company;
- (b) The company has not been declared as a wilful defaulter by any bank or other lenders during the year;
- (c) The Company has not raised any term loans during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable;

- (d) According to the information and explanations given to us and on the basis of our audit procedures and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis during the year have been used for long-term purposes by the Company;
- (e) The Company does not have any subsidiaries, joint venture and associates. Hence, reporting under Clause 3 (iii) (e) of the Order is not applicable to the Company; and
- (f) The Company does not have any subsidiaries, joint venture and associates. Hence, reporting under Clause 3 (iii) (f) of the Order is not applicable to the Company.
- (x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3 (x) (a) is not applicable to Company;
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year. Hence, reporting under clause 3 (x) (b) is not applicable to Company.
- (xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year;
- (b) No report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors Rules), 2014 with the Central government during the year and upto the date of this report;
- (c) As represented by the Management, there are no whistle blower complaints received by the Company during the year;
- (xii) The Company is not a Nidhi Company. Accordingly reporting under clause 3(xii) of the Order is not applicable;
- (xiii) In our opinion the Company is in compliance with Section 188 of the Act and the details of the same have been disclosed in Financial Statements as required by the applicable Indian accounting standards. Provisions of Section 177 of the Act are not applicable to the company;
- (xiv) Provisions of section 138 governing internal audit are not applicable to the company. Hence reporting under clause 3 (xiv) is not applicable to the Company;
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Hence the provisions of section 192 of the Act, are not applicable;
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly reporting under clauses 3 (xvi) (a) and 3 (xvi) (b) of the Order is not applicable to the Company;
- (b) 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) (c) of the order is not applicable; and
- (c) According to the information and explanations given to us, the Group has two core investment companies as part of the Group. For the purpose of reporting under this clause we have reported those Core Investment Companies of the Group which have been registered with the Reserve Bank of India;
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Hence, reporting under clause 3 (xvii) is not applicable to the company;
- (xviii) There has been no resignation of the statutory auditors during the year. Hence, reporting under clause 3 (xviii) is not applicable to the company;

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- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying financial statements, and on our knowledge of the Board of the 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 there is exists any material uncertainty as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing as at the date of the 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 facts up to the date of the audit report and we neither give any guarantee nor 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) The provisions of Section 135 of the Act pertaining to Corporate Social Responsibility (CSR) are not applicable to the Company. Hence, reporting under Clause 3 (xx)(a) and (b) of the Order is not applicable to the Company.

**For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036**

**Vijay Mehta
Partner
Membership No: 106533
UDIN: 24106533BKCEMG 9882
Place: Mumbai
Date: 29th April 2024**

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)****Opinion**

We have audited the internal financial controls over financial reporting of **CG ADHESIVE PRODUCTS LIMITED** (“the Company”) as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, except for the matters stated in the para 2(h)(vi) of Report on other legal and regulatory requirements on reporting under Rule 11(g), based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the

maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion:

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

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036

Vijay Mehta
Partner
Membership No: 106533
UDIN: 24106533BKCEMG 9882
Place: Mumbai
Date: 29th April 2024

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BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lakhs)

	Particulars	Note No.	As at 31st March, 2024		As at 31st March, 2023	
			₹	₹	₹	₹
	ASSETS					
(1)	Non-current Assets:					
	(a) Property, plant and equipment	1		355.42		381.52
	(b) Capital work-in-progress			-		-
	(c) Other intangible assets	2		1.03		1.68
	(d) Financial assets					
	(i) Investments	3		-	32.84	-
	(ii) Loans			-	-	-
	(iii) Others	4	51.25		3.37	
	(e) Deferred tax assets (net)	6		51.25		36.21
	(f) Other non-current assets	5		23.57		16.82
(2)	Current Assets:					
	(a) Inventories	7		263.69		196.22
	(b) Financial assets					
	(i) Investments			-		-
	(ii) Trade receivables	8	682.71		507.51	
	(iii) Cash and cash equivalents	9	217.55		22.54	
	(iv) Bank balances other than above	10	1,167.96		1,083.24	
	(v) Loans	11	438.49		424.22	
	(vi) Others	12	3.22		3.22	
	(c) Current tax assets (net)	21		2,509.92		2,040.73
	(d) Other current assets	13		31.86		5.72
	Total Assets			3,236.72		2,709.83
	EQUITY AND LIABILITIES					
(1)	Equity					
	(a) Equity share capital	14	390.00		390.00	
	(b) Other equity	15	2,267.50		1,906.65	
				2,657.50		2,296.65
(2)	LIABILITIES					
	Non-current Liabilities:					
	(a) Financial liabilities					
	(i) Borrowings					
	(ii) Others	16	9.30		9.05	
	(b) Provisions			9.30		9.05
	(c) Deferred tax liabilities			-		-
(3)	Current Liabilities:					
	(a) Financial liabilities					
	(i) Borrowings					
	(ii) Trade payables	17				
	(a) total outstanding dues of micro enterprises and small enterprises; and		16.40		23.93	
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		256.85		139.01	
	(iii) Other financial liabilities	18	273.24		162.93	
			70.33		62.43	
	(b) Other current liabilities	19		343.57		225.37
	(c) Provisions	20		43.51		31.27
	(d) Current tax liabilities (net)	21		173.97		147.50
				8.87		-
	Total Equity and Liabilities			3,236.72		2,709.83
	Contingent Liabilities and Commitments	29				
	Significant Accounting Policies	A				
	Other Notes	1 to 46				

The accompanying notes form an integral part of financial statements

As per our report attached

For and on behalf of the Board of Directors of CG Adhesive Products Limited

C N K & ASSOCIATES LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

Vijay Mehta

Partner

Membership No.:106533

Mumbai, 29th April, 2024

Arindam Banerjee

Director & Business Head

DIN: 10140423

Mumbai, 29th April, 2024

Susheel Todi

Director

DIN: 05342709

Ramesh N Kumar

Director

DIN: 08257872

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

(₹ in lakhs)

	Particulars	Note No.	2023-24		2022-23	
			₹	₹	₹	₹
(1)	Revenue from operations	22	3,026.52		2,359.95	
(2)	Other income	23	164.24		125.54	
(3)	Total Income			3,190.76		2,485.49
(4)	Expenses:					
	Cost of materials consumed	24	1,743.47		1,363.28	
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	5.28		(10.52)	
	Employee benefits expense	26	439.04		384.49	
	Finance costs	27	1.53		0.63	
	Depreciation and amortisation expense	1 & 2	61.60		56.51	
	Other expenses	28	452.79		401.32	
	Total Expenses			2,703.72		2,195.71
(5)	Profit before tax			487.03		289.78
(6)	Tax expense:					
	Current tax		128.15		74.37	
	Taxatation adjustments of earlier years		0.93		-	
	Deferred tax		(5.76)		(0.35)	
				123.32		74.02
(7)	Profit for the year			363.72		215.76
(8)	Other comprehensive income					
	A (i) Items that will not be reclassified to profit or loss		(3.82)		0.08	
	Remeasurement of the defined benefit plan					
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.96		(0.02)	
	B (i) Items that will be reclassified to profit or loss		-		-	
	(ii) Income tax relating to items that will be reclassified to profit or loss		-		-	
	Other comprehensive income for the year			(2.86)		0.06
(9)	Total comprehensive income for the year			360.86		215.82
(10)	Earnings per equity share					
	(i) Basic			9.33		5.53
	(ii) Diluted			9.33		5.53
	Significant Accounting Policies	A				
	Other Notes	1 to 46				

The accompanying notes form an integral part of financial statements

As per our report attached

For and on behalf of the Board of Directors of CG Adhesive Products Limited

C N K & ASSOCIATES LLP

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2024

Balance as at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April, 2023	Changes in equity share capital during the year	Balance as at 31st March, 2024
390.00	-	390.00	-	390.00

For the year ended 31st March, 2023

Balance as at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
390.00	-	390.00	-	390.00

B) OTHER EQUITY

For the year ended 31st March, 2024

Particulars	Reserves and Surplus		Other items of Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance as at 1st April, 2023	256.60	1,649.98	0.06	1,906.65
Changes in accounting policy or prior period errors	-	-	-	-
Total Comprehensive Income for the current year	-	363.72	(2.86)	360.86
Balance as at 31st March, 2024	256.60	2,013.70	(2.80)	2,267.50

For the year ended 31st March, 2023

	Reserves and Surplus		Other items of Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance as at 1st April, 2022	256.60	1,434.22	-	1,690.82
Changes in accounting policy or prior period errors	-	-	-	-
Total Comprehensive Income for the current year	-	215.76	0.06	215.82
Balance as at 31st March, 2023	256.60	1,649.98	0.06	1,906.64

The accompanying notes form an integral part of financial statements

As per our report attached

For and on behalf of the Board of Directors of CG Adhesive Products Limited

C N K & ASSOCIATES LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

Vijay Mehta

Partner

Membership No.:106533

Mumbai, 29th April, 2024

Arindam Banerjee

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	2023-24	2022-23
	₹	₹
Cash flows from operating activities		
Profit before tax	487.03	289.78
Profit before tax from discontinued operation		
Adjustments :		
Depreciation and amortization expense	61.60	56.51
Allowance for doubtful debts and advances	0.06	1.64
Bad debts written-off	0.51	6.87
Interest expense	1.53	0.63
Sundry credit balances written back	(3.92)	(8.15)
Provision for doubtful debts no longer required written back	(0.81)	(8.24)
Interest income	(73.68)	(49.50)
Profit from Investment (Interim Distribution Policy)	(22.53)	-
Profit on sale of investment	-	(1.20)
Income from investments (net)	(35.72)	(35.63)
Income from Lease of Premises	(21.00)	(21.00)
Unrealised exchange (gain) / loss (net)	0.01	(0.03)
Provision for warranty made/(withdrawn)	2.25	(0.44)
(Profit) / loss on sale of property, plant and equipment(net)	-	0.62
Operating cash flows before changes in assets and liabilities	395.35	231.85
(Increase) / Decrease in inventories	(67.47)	(12.15)
Decrease/(increase) in trade and other receivables	(199.78)	77.81
Increase / (Decrease) in trade and other payables	159.19	(5.93)
Increase / (Decrease) in provisions	(3.55)	5.54
Change in operating Assets and Liabilities	(111.61)	65.27
Cash generated from operations	283.73	297.11
Direct taxes paid (net of refund)	(114.50)	(87.64)
Net cash outflows from operating activities (A)	169.24	209.47
Cash flows from investing activities		
Inflows from investing activities		
Sale of property, plant and equipment		
Inter-corporate deposits redeemed	(13.76)	25.40
Interest received	73.68	49.50
Receipts against Investment (Interim Distribution Policy)	55.37	1.20
Income received from investments (net)	35.72	35.63
Income from Lease of Premises	21.00	21.00
Outflows from investing activities		
Purchase of property, plant and equipment	(28.96)	(63.20)
Investments in fixed deposits (non current)	(115.75)	(573.20)
Investments in associates - At cost	-	(32.84)
Inter-corporate deposits made	-	-
Net cash outflows from investing activities (B)	27.29	(536.50)
Cash flows from financing activities		
Inflows from financing activities		
Outflows from financing activities		
Proceeds / (repayment) of current borrowings		
Interest paid	(1.53)	(0.63)
Net cash outflows from financing activities (C)	(1.53)	(0.63)
Net (decrease)/increase in cash and cash equivalents during the year	195.00	(327.66)
Cash and cash equivalents at beginning of the year	22.54	350.20
Cash and cash equivalents at end of the year	217.55	22.54

Notes:

- The Statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows.
- Purchase of property, plant and equipment represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital work-in-progress of (a) capital work-in-progress for property, plant and equipment and (b) intangible assets.
- Cash and cash equivalents included in statement of cash flows comprise the following :

	2023-24	2022-23
	₹	₹
a) Cash and cash equivalents disclosed under current assets [Note 9]	217.55	22.54
b) Other bank balances disclosed under current assets [Note 10]	1,167.96	1,083.24
c) Cash and cash equivalents disclosed under non-current assets [Note 4]	-	-
Total cash and cash equivalents as per balance sheet	1,385.50	1,105.79
Add: (i) Unrealised exchange (gain)/loss on cash and cash equivalents	-	-
Less: (ii) Other bank balances disclosed under current assets [Note 10]	1,167.96	1,083.24
Less: (iii) Cash and cash equivalents disclosed under non-current assets [Note 4]	-	-
Total cash and cash equivalents as per statement of cash flows	217.55	22.54

- Figures for the previous year have been regrouped wherever necessary.

The accompanying notes form an integral part of financial statements

As per our report attached

C N K & ASSOCIATES LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of CG Adhesive Products Limited

Vijay Mehta
Partner
Membership No.:106533
Mumbai, 29th April, 2024

Arindam Banerjee
Director & Business Head
DIN: 10140423
Mumbai, 29th April, 2024

Susheel Todi
Director
DIN: 05342709

Ramesh N Kumar
Director
DIN: 08257872

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NOTES TO THE FINANCIAL STATEMENTS 2023-24**A. Corporate Information and Significant Accounting Policies****1 Corporate Information**

CG Adhesive Products Limited (the 'Company') is a public limited company incorporated and domiciled in India. The registered office is located at 215, GIDC Industrial Estate, Kundaim, Goa 403 115, India.

The name of the Company has been changed to 'CG Adhesive Products Limited' from 'CG-PPI Adhesive Products Limited' and a fresh Certificate of Incorporation in the name of 'CG Adhesive Products Limited' was issued by the Registrar of Companies Goa, Panjim on 15th March, 2022

The Company manufactures and deals in speciality adhesive tapes and speciality adhesive labels.

The financial statements of the Company for the year ended 31st March, 2024 were authorised in accordance with a resolution of the directors on 29th April, 2024.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and the presentation requirements of Division II of Schedule III of the Companies Act, 2013.

These financial statements have been approved for issue by the Board of Directors at its meeting held on 29th April, 2024.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees ("INR") and all amounts stated in the financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in lakhs.

3 Significant Accounting Policies**3.1 Property, plant and equipment:**

- Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.
- Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.
- Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the statement of profit and loss when the asset is derecognised.
- Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, where the useful lives was determined by technical evaluation.

NOTES TO THE FINANCIAL STATEMENTS 2023-24

Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the month of addition / deletion.

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

Plant and machinery - 5 to 20 years

Furniture and fittings - 3 to 12 years

Office equipments - 1 to 5 years

Buildings - 5 to 40 years

Vehicles - 3 to 10 years

- f) Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the useful life of the building.
- g) In other cases, buildings constructed on leasehold land are amortised over the primary lease period of the land.
- h) The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.
- i) On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for Property, plant and equipment as its deemed cost.

3.2 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The amortisation expense on intangible assets with finite lives is recognised in statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.3 Impairment of assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- In case of an individual asset, at higher of the fair value less cost to sell and the value in use; and
- In the case of a cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money

NOTES TO THE FINANCIAL STATEMENTS 2023-24

and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income (the 'OCI'), if any. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation.

3.4 Research and development cost:

- **Research Cost**

Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

- **Development Cost**

Development expenditure on new product is capitalised as intangible asset, if all of the following criteria can be demonstrated:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) The Company has intention to complete the development of intangible asset and use or sell it;
- (iii) The Company has ability to use or sell the intangible asset;
- (iv) The manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;
- (v) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) The Company has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets fulfilling the criteria are amortised over a period of five years, otherwise are expensed in the period in which they are incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets are amortised as follows:

- Specialised software :Over a period of five to six years;

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the changes in useful life from indefinite to finite is made on a prospective basis.

3.5 Inventories:

Inventories are carried in the balance sheet as follows

Raw materials, packing materials, stores and consumables - At lower of cost, on weighted average basis, and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS 2023-24

Work-in-progress - At lower of cost of materials, plus appropriate production overheads and net realisable value.

Finished goods - At lower of cost of materials plus appropriate production overheads on such goods and net realisable value.

The cost of inventories comprises all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are written down if the finished products in which they will be used are expected to be sold at or above cost.

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

3.6 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. The Statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows.

3.7 Foreign currency transactions:

The Company's financial statements are presented in INR, which is also the parent company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation differences. (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the Statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively)

3.8 Revenue recognition**a) Revenue from goods and services**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered. Revenue is recognised at transaction value which is also considered as fair value.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract

NOTES TO THE FINANCIAL STATEMENTS 2023-24

inception updated thereafter at each reporting date or until crystallisation of the amount.

b) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and effective interest rate."

3.9 Employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

a) Post Employment Benefits

Defined Contribution Plans: Company's contribution paid/ payable to superannuation scheme, provident fund, employee pension scheme, employee state insurance scheme and labour welfare fund are defined contribution plans. The contribution is recognised in the statement of Profit and Loss during the period in which the employee renders the related service.

b) Defined Benefit Plans: The employee's gratuity fund and leave encashment are the defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the profit or loss. Past service cost is recognised in the statement of profit and loss in the period of plan amendment or when the Company recognised related re-structuring costs.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

c) Gratuity: The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The Company makes contributions to the Employees Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a defined benefit plan for qualifying employees. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

d) Long-term employee benefits : Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected

NOTES TO THE FINANCIAL STATEMENTS 2023-24

unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss.

e) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

3.10 Borrowing costs:

- a) Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (generally over twelve months) to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.11 Segment accounting:**Operating Segment**

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Company to make decisions for performance assessment and resource allocation. Segment performance is evaluated based on the profit or loss of reportable segment and is measured consistently.

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

- a) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter- segment revenue.
- b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- c) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- d) Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.
- e) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing:

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis

3.12 Earnings per share

Basic earning per share is calculated by dividing net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statement by the Board of Directors.

NOTES TO THE FINANCIAL STATEMENTS 2023-24

3.13 Income Taxes

Income tax expense for the period comprises of current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised in relating to items recognised directly in OCI or equity respectively.

Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the Balance Sheet date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum alternate tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

3.14 Provisions, Contingent liabilities, Contingent assets and Commitments:

- a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - i. the Company has a present obligation (legal or constructive) as a result of past event
 - ii. a probable outflow of resources is expected to settle the obligation
 - iii. the amount of obligation can be reliably estimated.
- b) Contingent liability is disclosed in the case of :
 - i. a present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - ii. a possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent assets are neither recognized nor disclosed.
- d) Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- e) Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Company's obligation.
- f) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS 2023-24

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Company's obligation.

3.15 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

Deferred tax assets liabilities are classified as non-current.

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 Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

3.16 Fair value measurement:

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.17 Financial instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

i) Financial assets**a) Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial

NOTES TO THE FINANCIAL STATEMENTS 2023-24

assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit and loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit and loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit and loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit or loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit or loss.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's

NOTES TO THE FINANCIAL STATEMENTS 2023-24

statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- a) the Company has transferred substantially all the risks and rewards of the asset, or
- b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(d) Impairment of financial assets

The Company assesses impairment based on expected credit losses model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at FVTOCI;

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

A loss allowance for full lifetime expected credit losses is made for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with Ind AS 115.

For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit losses.

ii) Financial liabilities**a) Initial recognition and measurement**

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

NOTES TO THE FINANCIAL STATEMENTS 2023-24

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.18 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires that the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as at that date of the financial statements. Actual results could differ from those estimates. Any revisions in the accounting estimates are recognized prospectively in the current and future periods.

Estimates and assumptions

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

Useful lives of property, plant and equipment : Management reviews useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors. This reassessment may result in change in depreciation expected in future period.

Impairment of financial assets : The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Revenue from contract with customers : The Company estimates variable considerations in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable considerations are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results.

Income taxes : Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses can be utilised. Significant

NOTES TO THE FINANCIAL STATEMENTS 2023-24

management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Defined benefit obligation : In accounting for post-retirement benefits, actuarial method uses several statistical and other factors to anticipate future events that are used to calculate defined benefit obligation. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

3.19 Contingencies and events occurring after the balance sheet date

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised, The cases which have been determined as remote by the Company are not disclosed.

3.20 Recent accounting pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- vi. Ind AS 1 – Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.
- vii. Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.
- viii. Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

The Company is evaluating the amendments and the expected impact, if any, on the Company's financial statements on application of the amendments for annual reporting periods beginning on or after 1st April 2023.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Note 1

PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Land - Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost / Deemed cost:							
As at 01-04-2022	2.23	225.23	297.80	46.33	13.70	39.88	625.18
Additions	-	-	48.68	5.62	-	3.96	58.26
Disposals	-	-	(14.28)	-	-	-	(14.28)
Written off	-	-	(15.58)	(2.70)	-	(4.24)	(22.52)
As at 31-03-2023	2.23	225.23	316.62	49.25	13.70	39.61	646.64
As at 01-04-2023	2.23	225.23	316.62	49.25	13.70	39.61	646.64
Additions	-	14.99	9.54	0.30	-	9.53	34.36
Disposals	-	-	-	-	-	-	-
Written off	-	-	-	-	-	-	-
As at 31-03-2024	2.23	240.22	326.16	49.55	13.70	49.13	680.99
Accumulated depreciation:							
As at 01-04-2022	2.23	62.47	121.64	18.16	7.21	34.66	246.37
Depreciation charge for the year	-	8.48	36.90	4.71	1.77	3.07	54.94
Disposals	-	-	(14.28)	-	-	-	(14.28)
Written off	-	-	(15.15)	(2.51)	-	(4.24)	(21.90)
As at 31-03-2023	2.23	70.95	129.11	20.36	8.98	33.49	265.12
As at 01-04-2023	2.23	70.95	129.11	20.36	8.98	33.49	265.12
Depreciation charge for the year	-	8.51	41.14	4.94	1.78	4.08	60.45
Disposals	-	-	-	-	-	-	-
Written off	-	-	-	-	-	-	-
As at 31-03-2024	2.23	79.46	170.25	25.30	10.76	37.57	325.57
Net book value							
As at 31-03-2023	-	154.28	187.51	28.89	4.72	6.12	381.52
As at 31-03-2024	-	160.75	155.91	24.25	2.94	11.57	355.42

Notes:

- Leased assets
The leased term in respect of assets acquired under lease expires within 17.5 years
- Impairment
The Company has assessed recoverable amount of its property, plant and equipment by estimating its value in use. Based on the aforementioned assessment it has been concluded that the recoverable amount is higher than the respective carrying amount.
- The Company has not revalued any of its Property, plant and equipment during the year.
- Title deeds of Immovable property which are freehold are held in the name of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Note 2

INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Computer software
	₹
Cost / Deemed cost:	
As at 01-04-2022	8.95
Additions	-
Disposals	-
As at 31-03-2023	8.95
As at 01-04-2023	8.95
Additions	0.50
Disposals	-
As at 31-03-2024	9.45
Accumulated amortisation:	
As at 01-04-2022	5.71
Amortisation charge for the year	1.57
Disposals	-
As at 31-03-2023	7.28
As at 01-04-2023	7.28
Amortisation charge for the year	1.15
Disposals	-
As at 31-03-2024	8.43
Net book value	
As at 31-03-2023	1.68
As at 31-03-2024	1.03

Note:

1. The Company has not revalued any of its intangible assets during the year.

Note 3	As at 31st March, 2024	As at 31st March, 2023
NON-CURRENT INVESTMENT	₹	₹
A) Investments measured at Fair Value through Profit and Loss account:		
Investments in Debentures or bonds		
ILFS 9.00 15052028 (19 bonds @ Rs. 1,01,000/- per bond)	-	19.19
IL&FSTNL 9.51 100826 (45 Bonds @ Rs. 21,000/- per bond)	-	9.45
IL&FS TNL 9.37 291027 (20 Bonds @ Rs. 21,000/- per bond)	-	4.20
	-	32.84

Note:

The amount received under the interim distribution policy is adjusted against the cost of investment and profit or loss against the investments has been recognized during the year.

(a) Aggregate amount of quoted investments and market value thereof;	-	-
(b) Aggregate amount of unquoted investments; and	-	32.84
(c) Aggregate amount of impairment in value of investments.	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 4	As at 31st March, 2024	As at 31st March, 2023
NON-CURRENT FINANCIAL ASSETS - OTHERS	₹	₹
Security deposits - unsecured, considered good	20.54	3.37
Bank deposits with more than 12 months maturity. (including accrued interest)	30.71	-
	51.25	3.37

Note 5	As at 31st March, 2024	As at 31st March, 2023
OTHER NON-CURRENT ASSETS	₹	₹
Capital advances	-	3.20
	-	3.20

Note 6**DEFERRED TAX ASSETS (NET)****A) Income tax related to items charged or credited directly to profit or loss during the year:**

Particulars	As at 31st March, 2024	For the year ended 31st March, 2023
	₹	₹
Current income tax	128.15	74.37
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	0.93	-
Deferred tax expense / (benefit)	(5.76)	(0.35)
Relating to origination and reversal of temporary differences	-	-
Relating to changes in tax rates or the imposition of new taxes	-	-
Relating to write-down, or reversal of a previous write-down, of a deferred tax asset	-	-
Income tax expense reported in the statement of profit and loss	123.32	74.02

B) Income Tax expense

Reconciliation		As at 31st March, 2024	For the year ended 31st March, 2023
		₹	₹
	Profit before tax	487.03	289.78
(a)	Accounting profit before income tax	487.03	289.78
(b)	Applicable tax rate	25.17%	25.17%
(c)	Tax on Accounting profit '(c)=(a)*(b)	122.58	72.93
	Expenses allowable for tax purposes when paid / on payment of TDS	(1.25)	1.26
	Other items giving rise to temporary differences	(0.29)	(0.21)
	Expenses not deductible for tax purpose	0.38	0.17
	Accelerated depreciation for tax purposes	(0.00)	(0.15)
	Taxation adjustments of earlier years	0.93	-
	Tax impact on OCI	0.96	0.02
	Tax effects of other items	-	-
	Income tax expense charged to the statement of profit and loss	123.31	74.02

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

C) Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit or loss	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	For the year ended 31st March, 2023
	₹	₹	₹	₹
Expenses allowable for tax purposes when paid / on payment of TDS	34.51	32.70	(1.80)	1.40
Unused tax losses / depreciation	-	-	-	-
Other items giving rise to temporary differences	2.61	2.29	(0.32)	1.72
Accelerated depreciation for tax purposes	(13.55)	(18.16)	(4.61)	(3.47)
Gain on actuarial assumption	-	(0.02)	-	-
Deferred tax asset / (liability)	23.56	16.82	(6.73)	(0.35)

(Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.)

D) Reconciliation of deferred tax asset/(liabilities) net

(₹ in lakhs)

Reconciliation of deferred tax asset/(liabilities) net	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Opening balance as of 1st April	16.84	16.49
Tax income/(expense) during the year recognised in profit or loss	5.76	0.35
Tax income/(expense) during the year recognised in other comprehensive income	0.96	(0.02)
Closing balance as at 31st March	23.56	16.82

E) Analysis of deferred tax balances

The analysis of deferred tax assets and deferred tax liabilities is as follows:	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Deferred tax assets:	-	-
- Deferred tax assets to be recovered after more than 12 months	29.05	33.03
- Deferred tax asset to be recovered within 12 months	8.07	1.95
Deferred tax liabilities:	-	-
- Deferred tax liability to be recovered after more than 12 months	(13.55)	(18.16)
- Deferred tax liability to be recovered within 12 months	-	-
Deferred tax assets / (liabilities) (net)	23.56	16.82

Note 7	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
INVENTORIES (At lower of cost and net relisable value) (Refer Note A 3.5)		
Raw materials	161.51	88.75
Work-in-progress	98.84	101.62
Finished goods - Manufacturing	3.34	5.85
	263.69	196.22

(Note: Hypothecation of stocks and book debts for cash credit facility.)

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 8	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES		
Trade receivables - at amortised cost		
Trade receivables - unsecured, considered good		
- From Related parties	198.80	117.25
- From Others	488.66	395.76
	687.46	513.01
Less: Allowance for doubtful debts	(4.75)	(5.50)
	682.71	507.51

(Note: Hypothecation of stocks and book debts for cash credit facility.)

TRADE RECEIVABLES AGEING SCHEDULE

As at 31st March, 2024	Not due	Outstanding for following periods from due date of payment					Total
		Debtors less than 6 months	6 Month -1year	1-2 Years	2-3 Years	More than 3 Years	
	₹	₹	₹	₹	₹	₹	₹
Undisputed Trade Receivable - Considered Good	561.45	119.34	1.91	-	-	-	682.70
Undisputed Trade Receivable - having significant increase in credit risk	-	-	-	0.06	0.83	1.63	2.52
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	2.23	2.23
Total	561.45	119.34	1.91	0.06	0.83	3.86	687.45

As at 31st March, 2023	Not due	Outstanding for following periods from due date of payment					Total
		Debtors less than 6 months	6 Month -1year	1 -2 Years	2-3 Years	More than 3 Years	
	Undisputed Trade Receivable - Considered Good	400.03	106.71	0.77	-	-	-
Undisputed Trade Receivable - having significant increase in credit risk	-	-	-	1.64	1.63	-	3.27
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	2.23	2.23
Total	400.03	106.71	0.77	1.64	1.63	2.23	513.01

Note 9	As at 31st March, 2024	As at 31st March, 2023
CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS	₹	₹
Balances with banks in :		
- Current accounts	217.55	22.54
Cash on hand	-	-
	217.55	22.54

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 10	As at 31st March, 2024	As at 31st March, 2023
CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES	₹	₹
Bank deposits within 12 months maturity (including accrued interest)*	1,167.33	1,082.28
Earmarked balances with banks:		
Unpaid dividends	0.45	0.78
Postal bank deposit account*	0.18	0.18
(*pledged with sales tax authorities)	1,167.96	1,083.24

Note:

* Deposit with bank held as margin money deposit of Rs. 36.51 lakhs (P.Y. Rs 34.41 lakhs)

Note 11	As at 31st March, 2024	As at 31st March, 2023
CURRENT FINANCIAL ASSETS - LOANS AND ADVANCES	₹	₹
Loans Receivables considered good – Secured - Others		
(a) Loan to related parties (including accrued interest):		
Holding Company (refer note below)	435.45	421.70
(b) Others (including accrued interest)	3.04	2.52
	438.49	424.22

Note :The Company has given Inter-Corporate Deposit to its holding company which is repayable on 1st October 2024

Type of Borrower	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Promoter (Holding Company)	435.45	421.70
% of total Loans and Advances in the nature of loans	99.31%	99.41%

Note 12	As at 31st March, 2024	As at 31st March, 2023
CURRENT FINANCIAL ASSETS - OTHERS	₹	₹
Security deposits:		
Security deposits - unsecured, considered good	3.22	3.22
	3.22	3.22

Note 13	As at 31st March, 2024	As at 31st March, 2023
OTHER CURRENT ASSETS	₹	₹
Advances recoverable in cash or in kind or for value to be received		
Advance to suppliers	2.03	0.83
Receivable from Government Authorities	12.23	11.18
Prepaid expense	12.07	11.63
Other statutory receivable	5.53	4.09
	31.86	27.74

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 14	As at 31st March, 2024	As at 31st March, 2023
EQUITY SHARE CAPITAL	₹	₹
(a) Authorised: 4,000,000 Equity Shares of ₹ 10 each (previous year 4,000,000 Equity Shares of ₹ 10 each)	400.00	400.00
(b) Issued, Subscribed and paid-up capital 3,900,000 Equity Shares of ₹ 10 each fully paid up (previous year 3,900,000 Equity Shares of ₹ 10 each)	390.00	390.00
	390.00	390.00

(c) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year				
Particulars	Issued		Subscribed and Paid Up	
	No. of Shares	₹	No. of Shares	₹
At 1st April, 2023	39,00,000.00	390.00	39,00,000.00	390.00
Add: Shares issued during the year	-	-	-	-
At 31st March, 2024	39,00,000.00	390.00	39,00,000.00	390.00

(d) Rights, preferences and restrictions attached to equity shares
The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.				
Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	% of aggregate shares held	No. of shares as at 31.03.2024	% of aggregate shares held	No. of shares as at 31.03.2023
CG Power and Industrial Solutions Limited	83.59%	3,259,852	82.76%	3,227,877
Killone AG	10.26%	400,000	10.26%	400,000
Total	93.85%	3,659,852	93.02%	3,627,877

(f) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
(i) No shares have been allotted as fully paid up pursuant to the contracts without payments being received in cash
(ii) No bonus shares have been allotted
(iii) No shares have been bought back

(g) Details of shares held by promoters.				
For the year ended 31st March, 2024				
Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
CG Power and Industrial Solutions Limited	3,227,877	31,975	3,259,852	83.59%
Killone AG	400,000	-	400,000	10.26%
Total	3,627,877	31,975	3,659,852	93.85%

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

For the year ended 31st March, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
CG Power and Industrial Solutions Limited	3,175,520	52,357	3,227,877	82.77%
Killone AG	400,000	-	400,000	10.26%
Total	3,575,520.00	52,357.00	3,627,877.00	93.02%

Note 15

OTHER EQUITY

For the year ended 31st March, 2024		
Particulars	Balance as at 31st March, 2023	Balance as at 31st March, 2022
	₹	₹
Reserves		
General reserve	256.60	256.60
Retained earnings	2,010.90	1,650.04
Total reserves	2,267.50	1,906.65

For the year ended 31st March, 2023		
Particulars	Balance as at 31st March, 2023	Balance as at 31st March, 2022
	₹	₹
Reserves		
General reserve	256.60	256.60
Retained earnings	1,650.04	1,434.22
Total reserves	1,906.65	1,690.83

Nature and purpose of reserves

a) General reserve

General reserve comprises of transfer of profits from retained earnings for appropriation purpose, the reserves can be distributed / utilised by the Company in accordance with the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits that the Company has earned till date and includes any transfers to general reserve, dividends or other distributions paid to shareholders and impact on account of transition to / initial application of Ind AS.

Note 16	As at 31st March, 2024	As at 31st March, 2023
OTHER NON-CURRENT FINANCIAL LIABILITIES	₹	₹
Dealer Deposits	9.30	9.05
	9.30	9.05

Note 17	As at 31st March, 2023	As at 31st March, 2022
CURRENT FINANCIAL LIABILITIES – TRADE PAYABLES	₹	₹
Trade Payables		
(A) Total outstanding dues of micro enterprises and small enterprises; and	16.40	23.93
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	256.85	139.01
	273.24	162.93

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note:

- (a) Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues to suppliers which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31st March, 2024. The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	16.40	23.93
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1.46	0.62
The amount of interest accrued and remaining unpaid at the end of each accounting year	9.59	8.13
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

- (b) The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

TRADE PAYABLES AGEING SCHEDULE

As at 31st March, 2024	Not due	Outstanding for following periods from due date of payment				Total
		Less Than 1 year	1-2 Years	2-3 Years	Greater than 3 Years	
	₹	₹	₹	₹	₹	₹
(i) MSME	16.40	-	-	-	-	16.40
(ii) Others	123.01	133.83	-	-	-	256.84
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	139.41	133.83	-	-	-	273.24

As at 31st March, 2023	Not due	Outstanding for following periods from due date of payment				Total
		Less Than 1 year	1-2 Years	2-3 Years	Greater than 3 Years	
	₹	₹	₹	₹	₹	₹
(i) MSME	23.93	-	-	-	-	23.93
(ii) Others	112.22	26.79	-	-	-	139.01
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	136.14	26.79	-	-	-	162.93

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 18	As at 31st March, 2024	As at 31st March, 2023
OTHER CURRENT FINANCIAL LIABILITIES	₹	₹
Unpaid dividend (refer foot note)	0.45	0.78
Other payables:		
Due to employees	51.89	45.51
Security Deposit - Labour Contractor	1.20	1.20
Outstanding Expenses	16.79	14.94
	70.33	62.43

(Note : There are no amounts due and outstanding to be credited to Investor Education and Protection fund as at 31st March, 2024)

Note 19	As at 31st March, 2024	As at 31st March, 2023
OTHER CURRENT LIABILITIES	₹	₹
Advances from customers	1.13	3.87
Other payables:		
Statutory dues Payable	10.86	3.21
Others	-	-
Creditors For Expenses	26.68	22.04
Creditors For Capital Goods	4.84	2.14
	43.51	31.27

Note 20	As at 31st March, 2024	As at 31st March, 2023
CURRENT PROVISIONS	₹	₹
Provision for employee benefits:		
Provision for gratuity	4.47	4.18
Provision for leave encashment	27.71	24.39
Other Provisions:		
Provision for warranties	4.78	2.52
Provision for Anticipated Sales Return	1.48	4.67
Provision for Discount	0.20	0.34
Provision for Expenses	135.34	111.39
	173.97	147.50

Note 21	As at 31st March, 2024	As at 31st March, 2023
CURRENT TAX LIABILITIES (NET)	₹	₹
Provision for taxes	128.15	195.65
Less: Taxes paid	(119.28)	(201.37)
	8.87	(5.72)

Note 22	2023-24	2022-23
REVENUE FROM OPERATIONS	₹	₹
Sale of products	3,024.73	2,354.29
Other operating revenue	1.79	5.66
	3,026.52	2,359.95

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Particulars of Sales of products	2023-24	2022-23
	₹	₹
Self Adhesive Tapes	2,706.06	2,021.08
Self Adhesive Labels	318.67	333.21
	3,024.73	2,354.29

Revenue from Contracts with Customers

Particulars	2023-24	2022-23
Revenue reconciliation	₹	₹
Revenue as per Contracted Price	3,027.31	2,358.76
<u>Less: Adjustments</u>		
Discount	1.52	3.04
Late Delivery Charges	1.07	1.43
Revenue recognised as per statement of profit and loss	3,024.73	2,354.29

Note 23	2023-24	2022-23
OTHER INCOME	₹	₹
Interest income:		
- on loans to related parties	35.72	35.63
- on deposits	70.39	48.33
- on Others	3.29	1.18
Other non-operating income		
Profit on sale of investment	-	1.20
Profit on Investment	22.53	-
Income from lease of premises/ business service centres	21.00	21.00
Sundry credit balances written-back	3.92	8.15
Insurance claim received	-	0.27
Provision for warranty (withdrawn)	-	0.44
Provision for doubtful debts no longer required written back	0.81	8.24
Exchange gain (net)	3.25	1.11
Provision for Discount	0.15	-
Provision for Anticipated Sales Return	3.19	-
	164.24	125.54

Note 24	2023-24	2022-23
COST OF MATERIALS CONSUMED	₹	₹
Opening stock	88.75	87.12
Add: Purchases	1,816.23	1,364.91
Less: Closing stock	(161.51)	(88.75)
	1,743.47	1,363.28

Note 25	2023-24	2022-23
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN PROGRESS	₹	₹
Closing stock		
Finished goods	3.34	5.85
Work-in-progress	98.84	101.62
Stock-in-trade	-	-
	102.18	107.46
Opening stock		
Finished goods	5.85	7.62
Work-in-progress	101.62	89.33
Stock-in-trade	-	-
	107.46	96.95
	5.28	(10.52)

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 26	2023-24	2022-23
EMPLOYEE BENEFIT EXPENSES	₹	₹
Salaries, wages and bonus	295.81	281.12
Director's remuneration	83.17	55.92
Contribution to Provident fund and other funds	35.58	29.24
Contribution to gratuity	5.01	4.66
Workmen and staff welfare expenses	19.47	13.54
	439.04	384.49

Note 27	2023-24	2022-23
FINANCE COSTS	₹	₹
Interest expense	1.53	0.63
	1.53	0.63

Note 28	2023-24	2022-23
OTHER EXPENSES	₹	₹
Consumption of stores and spares	8.39	4.87
Power and fuel	124.14	104.04
Repairs to buildings	12.00	14.30
Repairs to machinery	26.95	26.33
Conservancy charges	68.38	50.26
Insurance	6.80	6.72
Rates and taxes	10.28	12.53
Freight and forwarding	33.15	28.71
Sales promotion	13.38	11.25
Commission on sales	16.30	11.25
Legal and professional charges	26.36	10.31
Provision for warranty (net)	2.25	-
Travelling	22.73	25.02
Auditors' remuneration (refer note below)	3.90	3.50
Miscellaneous expenses	77.79	92.24
	452.79	401.32

Note:

	2023-24	2022-23
Payments to Auditors	₹	₹
Auditors' remuneration (excluding applicable taxes)	3.90	3.50
Audit fees		
	3.900	3.500

Miscellaneous expenses includes:

	2023-24	2022-23
Other expenses	₹	₹
Technical and testing fees	7.86	9.80
Repairs - others	11.05	8.91
Vehicle expenses	11.35	11.34
Printing and stationery	2.04	2.11
Communication expenses	5.33	6.02
Bad debts written off	0.51	6.87
Provision for doubtful debts (net of recovery)	0.06	1.64
Security charges	22.26	18.95
Loss on sale of fixed assets (net)	-	0.62
Provision for Discount	-	0.34
Provision for Anticipated Sales Return	-	4.67
Miscellaneous expenses	13.47	17.53
Bank charges	3.85	3.46
	77.79	92.24

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 29	As at 31st March, 2024	As at 31st March, 2023
I) CONTINGENT LIABILITIES (to the extent not provided for)	₹	₹
(a) Claims against the Company not acknowledged as debts	40.98	32.79
(d) Guarantees given on behalf of subsidiary companies	-	-
(h) Bills discounted	-	-
(d) Company's contribution to provident fund (consequent to Supreme Court enlarging the definition of basic wages and salary for computation)	Amount not ascertained	Amount not ascertained

	As at 31st March, 2024	As at 31st March, 2023
II) COMMITMENTS:	₹	₹
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid)	6.61	7.01

Note 30	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Expenditure on research and development (as certified by management)		
Revenue expenditure		
Raw materials consumed	12.04	9.59
Consumption of stores and spares	18.85	16.02
Total	30.88	25.61

The Cost of Research & Development incurred during the year by the company is been included in the cost of materials consumed (Note 24)

Note 31**Disclosure as required by Indian Accounting Standard (Ind AS) 19, Employee Benefits:****A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised as an expense and included in "Employee Benefits Expense" – Note 26 in the Statement of profit and loss are as under :

Particulars	2023-24	2022-23
	₹	₹
i) Employers contribution to Provident Fund	9.04	5.42
ii) Employers contribution to Family Pension Scheme	9.81	10.03
iii) Employers contribution to Employees State Insurance Scheme	0.47	0.58
iv) Employers contribution to Superannuation Scheme	2.72	1.23
v) Employers contribution to Labour Welfare Fund	0.18	0.19
Total	22.22	17.45

B) Defined Benefit Plans

	Gratuity	
	2023-24 (funded)	2022-23 (funded)
	₹	₹
I Change in present value of defined benefit obligation during the year		
1 Present value of defined benefit obligation at the beginning of the year	75.10	69.64
2 Interest cost	5.69	4.98
3 Current service cost	4.69	4.47
4 Past service cost	-	-
5 Liability transfer from other company	-	-
6 Benefits paid	(7.49)	(4.38)
7 Actuarial (gains) / losses on obligations	3.06	0.40
8 Present value of defined benefit obligation at the end of the year	81.05	75.10

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

31. Disclosure as required by Indian Accounting Standard (Ind AS) 19, Employee Benefits (contd)			
		Gratuity	
		2023-24 (Funded)	2022-23 (Funded)
		₹	₹
II	Change in fair value of plan assets during the year		
1	Fair value of plan assets at the beginning of the year	70.92	66.92
2	Interest income	5.38	4.79
3	Expected return of plan assets excluding interest income	(0.77)	(0.22)
4	Contributions	8.54	3.81
5	Transfer from other company	-	-
6	Benefits paid	(7.49)	(4.38)
7	Actuarial gain / (loss) on plan assets	-	-
8	Fair Value of plan assets at the end of the year	76.58	70.92
9	Total actuarial gain/(loss) to be recognised	(3.06)	(0.40)
III	Actual return on plan assets		
1	Expected return on plan assets	(0.77)	(0.22)
2	Actuarial gain / (loss)	5.38	4.79
3	Actual return on plan assets	(Refer note 2 below)	(Refer note 2 below)
	The major categories of plan assets as a percentage of total plan assets	As per LIC Scheme	As per LIC Scheme
IV	Net asset / (liability) recognised in the balance sheet		
1	Liability at the end of the year	(81.05)	(75.10)
2	Plan assets at the end of the year	76.58	70.92
3	Amount Liability / (Asset) recognised in the balance sheet	4.47	4.18
V	Expenses recognised in the statement of profit and loss for the year		
1	Current service cost	4.69	4.47
2	Interest cost	0.32	-
3	Expected return on plan assets	-	-
4	Total expenses as per actuarial valuation	-	-
5	Past service cost	-	-
6	Total expenses included in employee benefit	5.01	4.66
VI	Recognised in other comprehensive income for the year		
1	Actuarial (gains) / losses	3.06	0.40
2	Expected return of plan assets excluding interest income	0.77	0.22
3	Recognised in other comprehensive income for the year	3.82	0.61
VII	Balance Sheet reconciliation		
1	Present value of defined benefit obligation at the end of the year	81.05	75.10
2	Fair Value of plan assets at the end of the year	76.58	70.92
3	Employer contribution	-	-
4	Liability transfer from other Company	-	-
5	Amount recognised in the balance sheet	4.47	4.18
VIII	The major categories of plan assets as a percentage of total		
	Insurer managed funds	-	-
IX	Effect of one percent point change in the assumed medical inflation rate		
	(1) Increase/(decrease) on aggregate service and interest cost of Post Retirement Medical Benefits		
	(i) One percentage point increase in Discount rate	-	-
	(ii) One percentage point decrease in Discount rate	-	-
	(2) Increase/(decrease) on present value of defined benefits obligation as at 31st March, 2024		
	(i) One percentage point increase in Medical Inflation rate	-	-
	(ii) One percentage point decrease in Medical Inflation rate	-	-
X	Actuarial assumptions		
1	Discount rate	7.15%	7.15%
2	Rate of return on plan assets	(Refer note 2 below)	(Refer note 2 below)
3	Salary escalation	5.50%	5.50%
4	Mortality pre retirement rate	-	-
5	Mortality post retirement rate	-	-
6	Medical premium inflation rate	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

- (a) The Company makes contribution towards provident fund and superannuation fund as a defined contribution retirement benefit plan for qualifying employees. To fund the benefits, the Company is required to contribute a specified percentage of salary to the respective Funds, which administer the retirement benefit schemes. (₹ in lakhs)
- (b) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2024. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- (c) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- (d) Expected rate of return on the plan assets is based on the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

Note 32**Disclosure as required by Indian Accounting Standard (Ind AS) 108, Operating Segments**

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

- (a) Tapes
(b) Labels

The above business segments have been identified considering :

- a) the nature of products
b) the differing risks and returns
c) the internal organization and management structure, and
d) the internal financial reporting systems

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Mr. Arindam Banerjee (Designation), as Director and Business Head explained in the Directors' Report section.

The measurement principles of segments are consistent with those used in Significant Accounting Policies.

Primary Segments (Business Segments)**a) For the financial year ended 31st March, 2024**

Particulars	Self Adhesive Tapes	Speciality Labels	Unallocable Income/ Assets / Liabilities	Total
	₹	₹	₹	₹
Revenue				
External sales	2,707.80	318.72	-	3,026.52
Add : Inter-segment sales	28.95	-	-	28.95
Total	2,736.75	318.72	-	3,055.47
Segment results	274.29	50.04	-	324.32
Add : Interest income	-	-	-	130.40
Less : Interest expense	-	-	-	1.53
Add: unallocable income / (expenditure)	-	-	-	33.84
Net of unallocable income	-	-	-	162.71
Profit before tax	-	-	-	487.03
Provision for current tax	-	-	-	(128.15)
Taxatation adjustments of earlier years	-	-	-	(0.93)
Provision for deferred tax	-	-	-	5.76
Profit / (loss) after tax				363.71
Capital employed :				
Segment assets	2,811.24	400.88	24.59	3,236.72
Segment liabilities	528.38	50.84	-	579.22
Net assets	2,282.86	350.04	24.59	2,657.50
Capital expenditure	34.67	0.19	-	34.86
Depreciation and amortization expense	56.34	5.27	-	61.60
Non-cash expenditure (other than depreciation)	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

b) For the financial year ended 31st March, 2023

Particulars	Self Adhesive Tapes	Speciality Labels	Unallocable Income / Assets / Liabilities	Total
	₹	₹	₹	₹
Revenue				
External sales	2,026.74	333.21	-	2,359.95
Add : Inter-segment sales	31.49	-	-	31.49
Total	2,058.22	333.21	-	2,391.43
Segment results	37.26	127.61	-	164.87
Add : Interest income	-	-	-	106.13
Less : Interest expense	-	-	-	0.63
Add : unallocable income / (expenditure)	-	-	-	19.42
Net of unallocable income	-	-	-	124.92
Profit before tax	-	-	-	289.78
Provision for current tax	-	-	-	(74.37)
Taxation adjustments of earlier years	-	-	-	-
Provision for deferred tax	-	-	-	0.35
Profit after tax	-	-	-	215.76
Capital employed :				
Segment assets	1,340.89	1,352.12	16.82	2,709.83
Segment liabilities	306.36	106.80	-	413.16
Net assets	1,034.53	1,245.32	16.82	2,296.67
Capital expenditure	58.02	0.24	-	58.26
Depreciation and amortization expense	51.07	5.44	-	56.51
Non-cash expenditure (other than depreciation)	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 33

Disclosure as required by Indian Accounting Standard (Ind AS) 24 Related Party Disclosures :

(a) Relationships:

List of related parties where control exists:

- (i) Ultimate Parent Company
Tube Investments of India Limited
- (ii) Holding Company
1. CG Power and Industrial Solutions Limited
- (iii) Trust controlled by Holding Company
CG Provident Fund
- (iv) Key Management Personnel
1. Sagar Mohbe - Director and Chief Executive Officer (upto 30th April 2023)
2. Arindam Banerjee - Director and Business Head (w.e.from 01st May 2023)

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Sr. No.	Nature of transaction / relationship	2023-24	2022-23
		₹	₹
1	Sale of goods Holding Company	834.75	751.04
		834.75	751.04
2	Rental Income Holding Company	21.00	21.00
		21.00	21.00
3	Interest income Holding Company	35.72	35.63
		35.72	35.63
4	Payment of salary and perquisites Holding Company (Reimbursement) Key Management Personnel	18.40	57.45
		18.40	57.45
5	Recovery of expenses Holding Company (security charges)	12.69	16.18
		12.69	16.18
6	Purchase of Bonds CG Provident Fund	-	32.84
		-	32.84

(c) Amount due to / from related parties

Sr. No.	Nature of transaction / relationship	As at 31st March, 2024	As at 31st March, 2023
		₹	₹
1	Trade receivable Holding Company	198.80	117.25
		198.80	117.25

(d) Compensation of Key Management Personnel

Sr. No.	Nature of transaction / relationship	2023-24	2022-23
1	Short - term employee benefits	83.17	57.45
2	Post - employment pension, provident fund and medical benefits	-	-
		83.17	57.45

Note:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year end are unsecured and settlement occurs in cash.

Note 34

Indian Accounting Standard (Ind AS) 116, Leases:

The company has obtained premises under lease for its business operations which are not material, accordingly no disclosure has been made in respect of IND AS 116.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 35 : Disclosure as required by Indian Accounting Standard (Ind AS) 33, Earnings Per Share

Particulars		2023-24	2022-23
Profit after tax	Amount in ₹	363.72	215.76
Number of equity shares outstanding	Nos.	39	39
Face value of equity share	₹/share	10	10
Earnings per share (basic and diluted)	₹	9.33	5.53

Note 36 : Accounting classifications and fair values

A) As at 31st March, 2024

Particulars	Carrying amount	Fair value		
		As at 31st March, 2024	Level 1	Level 2
	Amortised cost			
Financial assets at amortised cost				
Trade and other receivables (current)	682.71	-	-	-
Loans and other receivables (non-current)	51.25	-	-	-
Loans and other receivables (current)	438.49	-	-	-
Cash and cash equivalents	217.55	-	-	-
Bank balances	1,167.96	-	-	-
Short-term deposits	20.54	-	-	-
	2,578.48	-	-	-
Financial assets at fair value through profit or loss				
Forward contract receivable	-	-	-	-
Total	2,578.48	-	-	-
Financial liabilities at amortised cost				
Working capital loan from bank	-	-	-	-
Trade and other payables	273.24	-	-	-
Other financial liabilities (non-current)	9.30	-	-	-
Other financial liabilities (current)	70.33	-	-	-
Total	352.87	-	-	-

B) As at 31st March, 2023

Particulars	Carrying amount	Fair value		
		As at 31st March, 2023	Level 1	Level 2
	Amortised cost			
Financial assets at amortised cost				
Trade and other receivables (current)	507.51	-	-	-
Loans and other receivables (non-current)	3.37	-	-	-
Loans and other receivables (current)	424.22	-	-	-
Cash and Cash equivalents	22.54	-	-	-
Bank balances	1,083.24	-	-	-
Short-term deposits	3.22	-	-	-
	2,044.10	-	-	-
Financial assets at fair value through profit or loss				
Forward contract receivable	-	-	-	-
Investments	32.84	-	-	-
	32.84	-	-	-
Total	2,076.94	-	-	-
Financial liabilities at amortised cost				
Working capital loan from bank	-	-	-	-
Trade and other payables	162.93	-	-	-
Other financial liabilities (non-current)	9.05	-	-	-
Other financial liabilities (current)	62.43	-	-	-
Total	234.42	-	-	-

Note 37

The quarterly returns or statements of current assets and current liabilities filed with banks are in agreement with books of account of the Company.

Note 38

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013, with respect to corporate social responsibility is not applicable to the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Note 39

Ratios

(₹ in lakhs)

Ratio	Numerator	Denominator	March 31, 2024			March 31, 2023			% change	Reason for variance
			Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
Current ratio	Current Assets	Current Liabilities	2,805.46	569.92	4.92	2,264.68	404.13	5.60	-12.16%	On account of increase in inventory, trade receivable, cash balance due to increase in sale by 28%
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	2,657.50	-	-	2,296.65	-		On account of increase in profit
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	552.99	1.53	361.43	355.60	0.63	565.21	-36.05%	On account of lower utilisation of cash credit facility and higher profit in the financial year 2023-24
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	363.72	2,477.07	0.15	215.76	2,188.74	0.10	48.95%	On account of increase of profit as compared to previous year.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	1,748.75	229.95	7.60	1,352.76	190.14	7.11	6.89%	On account of higher cost of material consumed in the financial year 2022-23 as compared to previous year.
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	3,026.52	595.11	5.09	2,359.95	542.90	4.35	16.99%	On account of increase in sale by 28%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1,816.23	218.09	8.33	1,364.91	172.81	7.90	5.44%	On account of increase in sale by 28%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3,026.52	2,235.54	1.35	2,359.95	1,860.55	1.27	6.73%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	363.72	3,026.52	0.12	215.76	2,359.95	0.09	31.45%	On account of increase in sales resulting in the financial year 2023-24 as compared to previous year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	488.56	2,657.50	0.18	290.41	2,296.65	0.13	45.39%	On account of increase in sales resulting in the financial year 2023-24 as compared to previous year.
Return on Investment	Interest (Finance Income)	Investment	106.11	1,602.77	0.07	80.18	1,159.22	0.07	-4.28%	

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Note 40

(₹ in lakhs)

Foreign currency exposure as at 31st March, 2024

Particulars	USD	Total
	₹	₹
Trade receivables	0.46	0.46
Loans and other receivables	-	-
Bank balances in current accounts and term deposit accounts	-	-
Trade payables	2.22	2.22
Forward contracts for receivable	-	-
Forward contracts for loan	-	-

Foreign currency exposure as at 31st March, 2023

Particulars	USD	Total
	₹	₹
Trade receivables	0.25	0.25
Loans and other receivables	-	-
Bank balances in current accounts and term deposit accounts	-	-
Trade payables	39.09	39.09
Forward contracts for receivable	-	-
Forward contracts for payable	-	-
Forward contracts for loan	-	-

Foreign currency sensitivity

Particulars	2023-24		2022-23	
	1% Increase	1% decrease	1% Increase	1% decrease
	₹	₹	₹	₹
USD	0.03	(0.03)	0.39	0.39
Increase \ (Decrease) in profit or loss	0.03	(0.03)	0.39	0.39

Equity Price Risk

The company does not have any investments

Credit risk

Credit risk refers to the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. General payment terms include credit period ranging from 15 to 90 days.

Where the loans or receivables are impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets.

Exposure to credit risk

Particulars	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Investments in Government or trust securities	-	-
Investments in Debentures or bonds	-	-
Other non-current investments carried at amortised cost	-	-
Long-term loans and advances	51.25	3.37
Other long term financial assets	-	-
Trade receivables	687.45	513.01
Cash at bank	1,385.50	1,105.79
Short-term loans and advances	438.49	424.22
Other financial current assets	3.22	3.22

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due. ^(₹ in lakhs)

Particulars	Amount (₹)
31st March, 2024	
Not due	561.45
Up to 3 months	-
3 to 6 months	119.34
More than 6 months	6.66
	687.45
31st March, 2023	
Not due	400.03
Up to 3 months	-
3 to 6 months	106.71
More than 6 months	6.27
	513.01

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables measured using life-time expected credit model:

Particulars	Amount (₹)
As at 1st April, 2022	12.10
Provided during the year	1.64
Amounts written-off	(6.39)
Recovered during the year	(1.84)
Reversals of provision	-
As at 31st March, 2023	5.50
Provided during the year	0.06
Amounts written-off	(0.17)
Recovered during the year	(0.64)
Reversals of provision	-
As at 31st March, 2024	4.75

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management is responsible for liquidity, funding as well as settlement management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March, 2024	Less than one year	1 to 5 years
	₹	₹
Obligations under finance leases	-	-
Deposits payable	0.25	9.30
Working capital demand loan from bank	-	-
Trade payables	273.24	-
Other financial liabilities	70.33	-

As at 31st March, 2023	Less than one year	1 to 5 years
	₹	₹
Obligations under finance leases	-	-
Deposits payable	-	9.65
Working capital demand loan from bank	-	-
Trade payables	162.93	-
Other financial liabilities	62.43	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The company includes interest bearing loans and borrowings.

Particulars	As at 31st March, 2024	As at 31st March, 2023
	₹	₹
Interest-bearing loans and borrowings	-	-
Net debt	-	-
Equity	2,658.00	2,297.00
Capital and net debt	2,658.00	2,297.00
Gearing ratio	0.00%	0.00%

Note 41**Changes in liabilities arising from financing activities**

	As at 1st April, 2023	Effect of reclassification	Cash Inflows / (Outflows)	Finance cost charged during the year	As at 31st March, 2024
Current financial liabilities - borrowings					
Secured loans					
Banks	-	(217.61)	217.55	0.07	-
Total	-	(217.61)	217.55	0.017	-
	As at 1st April, 2022	Effect of reclassification	Cash Inflows / (Outflows)	Finance cost charged during the year	As at 31st March, 2023
Current financial liabilities - borrowings					
Secured loans					
Banks	-	(22.55)	22.54	0.01	-
Total	-	(22.55)	22.54	0.01	-

Note 42**Details of Loans given, investments made and Gurantee given covered under Section 186 (4) of the Companies Act, 2013**

Name of the company	Particulars	Opening Balance*	Additions during the year	Repaymens during the year	Closing Balance*
CG Power and Industrial Solutions Limited	Inter Corporate Deposit given @ 7.5% P.a	421.70	32.15	18.40	435.45

The loan is utilised for its business activities by the company

*The Amount includes accrued interest

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in lakhs)

Note 43

- (i) In the opinion of the management of the Company and to the best of their 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) In the opinion of the management of the Company and to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

Note 44**Other disclosures required by Schedule III:**

- (i) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The company does not have any transactions with companies struck off.
- (iii) The Company has not declared or paid any dividend during the year.
- (iv) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The company have not traded or invested in Crypto currency or Virtual Currency during the year.
- (vi) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- (viii) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (ix) The Company has not declared or paid any dividend during the year.

Note 45

Accounting software used by the Company for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Note 46

Figures of the previous year have been regrouped and rearranged wherever necessary

Signatures to Note A, Note 1 to 46**C N K & ASSOCIATES LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of CG Adhesive Products Limited**Vijay Mehta**

Partner

Membership No.:106533

Mumbai, 29th April, 2024

Arindam Banerjee

Director & Business Head

DIN: 10140423

Mumbai, 29th April, 2024

Susheel Todi

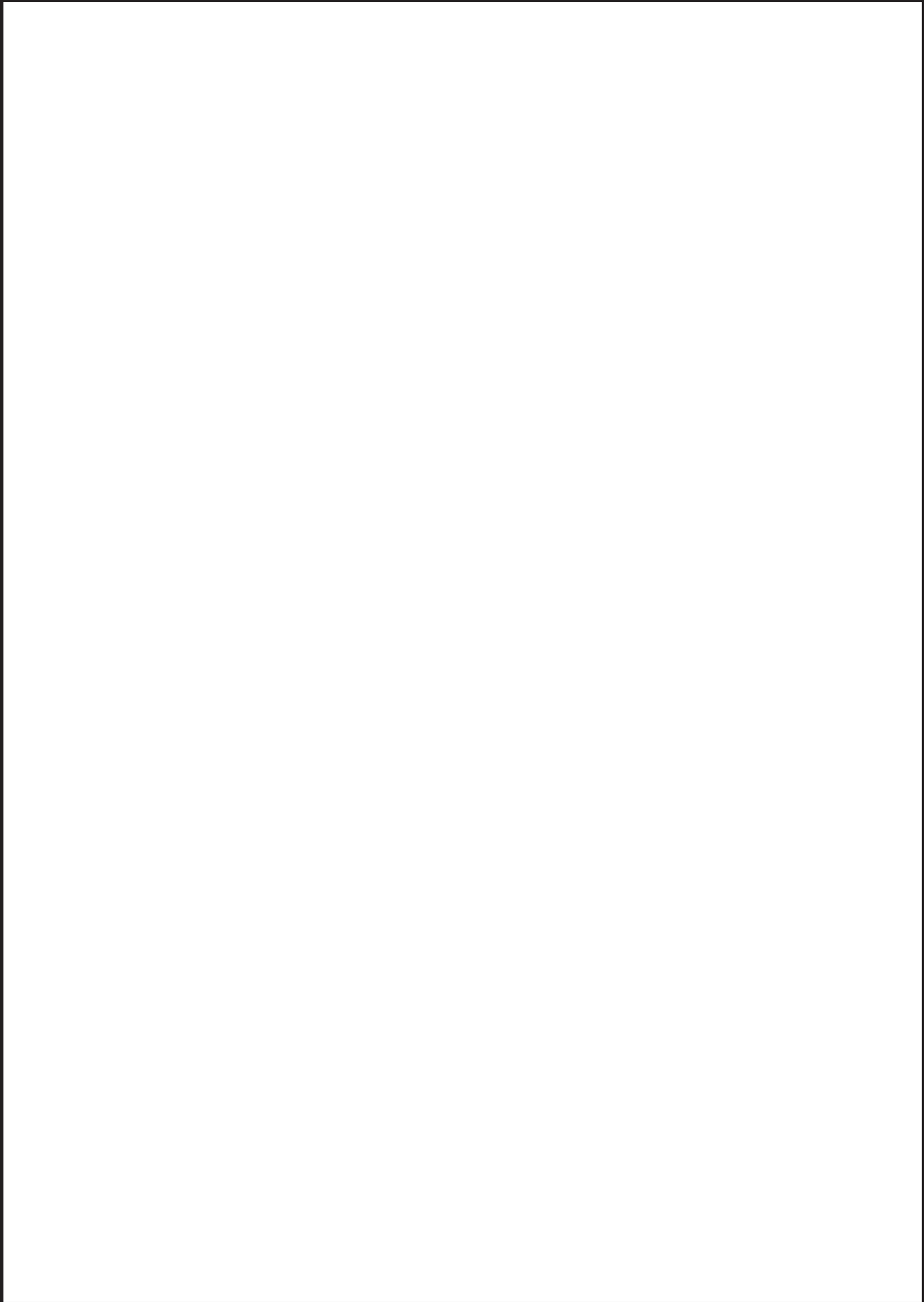
Director

DIN: 05342709

Ramesh N Kumar

Director

DIN: 08257872



A TAPE

For Every Application....



CG Adhesive Products Limited

(Formerly known as CG-PPI Adhesive Products Limited)

Registered Office & Works:

215, Kundaim Industrial Estate, Kundaim, Goa 403115, India
T: +91832 2395209-10 F: +91 832 2395308 W: www.cgapl.com