



Board of Directors

Shri. P.C. Seksaria	Independent Director
Shri. P.N.Sukumaran Nair	Independent Director
Shri. Ankur Patodia	Managing Director
Smt. Prabha Patodia	Additional Director (from 2.3.2024 to 17.6.2024)

BANKERS

Central Bank of India
State Bank of India

Auditors (Statutory)

Shri. R Mugunthan, FCA
Chartered Accountants
Chennai

Auditors (Internal)

Shri. V.C. Tirupathi, FCA
Chartered Accountants
Coimbatore

**Registered Office /
Corporate Office**

61/461 5th Floor, Palal Towers
M.G. Road, Ravipuram,
Ernakulam 682 016

Corporate ID No (Cin)

U67120KL1981PLC013244

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GTN ENTERPRISES LIMITED

NOTICE

NOTICE is hereby given that the **Forty Third (43rd)** Annual General Meeting of **GTN ENTERPRISES LIMITED** will be held at the Registered Office of the Company at 61/461, 5th Floor, Palal Towers, MG Road, Ravipuram, Ernakulam 682016 on Thursday 27th June 2024 at 4:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the year ended on that date, Board's Report and the Auditors thereon.
2. To declare Dividend of Rs. 3.00/- per Equity Share (i.e., 30%) on the Face Value of Rs. 10.00/- per share to the Equity Shareholders and 0.01% dividend to Preference Shareholders of the Company for the FY 2023-24

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 197,198, and all other applicable provisions of the Companies Act, 2013 (the “Act”)and Rules thereunder read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to fix remuneration to Shri Ankur Patodia (DIN : 00003567), Managing Director of the Company for his balance tenure from 1.7.2024 up to 30.6.2026 on the terms and conditions as set out and approved by the Remuneration Committee / Board of Directors. The draft remuneration structure placed before this meeting is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to the “Board” which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the remuneration structure, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 including any statutory re-enactment thereof for the time being in force or as may hereinafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board and Shri Ankur Patodia”

“FURTHER RESOLVED THAT that pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act, the remuneration payable to Shri. Ankur Patodia by way of salary, perquisites, commission and other allowance, shall not in any event exceed 5% of the net profits of the Company in that financial year”.

“FURTHER RESOLVED THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. Ankur Patodia, the remuneration, perquisites and other allowances shall

be governed by the limits prescribed in Section II of Part II of Schedule V to the Act”.

AND

“FURTHER RESOLVED THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and M/s. Patspin India Limited on such terms and conditions as may be mutually agreed between the Company and the above related party, as mentioned in detail in the Explanatory Statement annexed herewith, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the

NOTICE (Contd...)

authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and M/s. GTN Textiles Limited on such terms and conditions as may be mutually agreed between the Company and the above related party, as mentioned in detail in the Explanatory Statement annexed herewith, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and Smt Mala Patodia on such terms and conditions as may be mutually agreed between the Company and the above related party, as mentioned in detail in the Explanatory Statement annexed herewith, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

NOTICE (Contd...)

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

7) **Approval of Cost Auditors remuneration**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force), M/s. Hareesh K.N and Associates, Cost Accountants (Firm Reg. No. 101974), who have been appointed as Cost Auditors by the Board of Directors of the Company to conduct

the Audit of the Cost records of the Company for the financial year ending on 31st March, 2025, be paid a remuneration of Rs. 70,000 (Rupees Seventy Thousand Only) plus reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit, be and is hereby ratified.

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai
Date : 18.6.2024

ANKUR PATODIA
Managing Director
(DIN 00003567)

NOTES:-

- **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
- The instrument appointing proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is send herewith. Proxy submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution / authority, as applicable
- All 100% shareholders have given their consent dated 14.6.2024 for calling Annual General Meeting at a shorter notice on 28.6.2024
- Book closure is fixed from Monday 24th June 2024 to 28th June 2024
- Dividend, if declared, will be paid to those shareholders whose name appear on the date of the Annual General Meeting

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai
Date : 18.6.2024

ANKUR PATODIA
Managing Director
(DIN 00003567)

NOTICE (Contd...)

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No.3:

The Shareholders at their meeting held on 30.9.2021 has appointed Shri. Ankur Patodia as Managing Director of the Company for a period of 5 years with effect from 1.7.2021 to 30.6.2026. While re- appointing, remuneration was fixed for a period of 3 years from 01.07.2021 to 30.6.2024 pursuant to Schedule V of the Companies Act 2013. Therefore, it is now proposed to fix remuneration for his balance tenure from 01.07.2024 to 30.6.2026.

Since Company makes adequate profits, provisions with regard to Schedule V is not applicable and hence proposed to retain existing remuneration package to Shri Ankur Patodia, Managing Director for his balance term (from 1.7.2024 to 30.6.2026), details as given below:

a) Salary:

Rs.3,00,000/- per month in the Scale Rs.300000–10000–320000 for the balance period from 1st July, 2024 to 30th June, 2026.

b) Commission:

Subject to the overall limits laid down in Sections 197 of the Companies Act, 2013 such percentage of the Net Profit of the Company or such quantum as may be fixed by the Board of Directors for each financial year not exceeding 2% of the Net Profits of the Company, each year, restricted to an overall limit of Rs.60 lacs per annum.

c) Perquisites as follows:

- (i) Housing: Rent free accommodation will be provided to the appointee for which actual amount of lease rental paid or payable by the Company or 10% of the salary, whichever is lower, shall be recovered. In case no accommodation is provided by the Company, House Rent Allowance, subject to a ceiling of 60% of the appointees salary shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.
- (ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.
- (iii) All Medical Expenses incurred by the appointee for self and his family shall be reimbursed.
- (iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.
- (v) Fees of Clubs: Subject to a maximum of 2 Clubs. This will not include admission and life membership fees.
- (vi) Personal Accident Insurance: As per Rules of the Company.
- (vii) Provision of Car with driver and telephone at the residence for use of Company's business.

Perquisites not included in Managerial Remuneration

- a. contribution to Provident Fund, Superannuation or Annuity Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961
- b. gratuity payable at a rate not exceeding half a months salary for each completed year of service; and
- c. encashment of leave at the end of the tenure.

d) Overall Remuneration:

The aggregate of salary, commission and perquisites in any financial year shall not exceed the limits prescribed from time to time under Section 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may for the time being in force.

e) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service, the payment of salary, commission and perquisites shall be governed by the limits prescribed under the Section II of Part II of Schedule V to the Act.

Furthermore, approval of the members in general meeting by way of a special resolution is required to be obtained for payment of minimum remuneration, by way of salary and perquisites and allowances as specified above in the event of absence or inadequacy of profits in any financial year during the tenure of Shri Ankur Patodia, Managing Director of the Company.

None of the other Directors of the Company or their relatives is in any way, financial or otherwise, concerned or interested in the resolution.

NOTICE (Contd...)

Information required to be disclosed in terms of Schedule V to the Companies Act, 2013:-

I. General Information:

- i) Nature of the industry:
Textile Industry – the Company is mainly engaged in manufacture and exports of yarn, both for domestic and international markets.
- ii) Date or expected date of commencement of Commercial Production:
The Commercial Production has commenced during October, 1998.
- iii) In case of new companies, expected date of commercial activities as per Project approved by financial institutions appearing in the prospectus - Not applicable.
- iv) Financial Performance:

(Rs. in lacs)

	FY 2023-24	FY 2022-23
Revenue from Operations & Other Income	380.70	344.09
EBITDA	29.51	26.63
Finance cost	6.46	8.60
Depreciation and Amortization expenses	4.13	3.92
Profit before Tax	18.92	14.11
Tax Expenses		
Current Tax -MAT	(5.31)	(4.83)
MAT credit/ Deferred tax credit/ (charge)- Net	(0.32)	0.50
Profit/(Loss) after Tax	13.29	9.78

The Company has not made any default in the repayments of its dues (including Public Deposits) or interest payments thereon. The Company has not issued any debentures.

- v) Export Performance and Net foreign Exchange contributions:

(Rs. in Crs)

Financial Year	Export Turnover
2023-24	247.19
2022-23	211.87

The Company does not have any Foreign Exchange Collaboration.

- vi) Foreign Investments or Collaborators, if any:

The Company does not have any foreign investments or collaborators.

II. Information about the appointee: Shri. Ankur Patodia

Vide Item No.3 of the Notice of this Annual General Meeting of the Company; the approval of the members is being sought for fixing the remuneration of Shri. Ankur Patodia, Managing Director effective from 1st July 2024 for his balance tenure up to 30th June, 2026. Shri. Ankur Patodia is a Citizen of India, 50 years of age. He holds Bachelor Degree in Arts and has about 25 years of experience in Textile Industry, Yarn marketing and Cotton Trade.

The Company's operations are managed by Shri. Ankur Patodia as well as implementation of all policy matters under the guidance of the Board of Directors. Shri. Ankur Patodia is holding the position of Managing Director of GTN Enterprises Limited, since 2005.

During the financial year 2023-2024, he was paid Rs. 41.42 lakhs as remuneration including PF and Gratuity

Pecuniary Relationship: The Company had not entered into any transaction of material in nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the related parties were in the ordinary course of business and at arms length.

III. Other Information:

The Directors Report forming part of the Annual Report mention in detail "other information" as required under Schedule V of the Companies Act, 2013.

None of the other directors of the Company or their relatives is in any way, financially or otherwise, concerned or interested in the resolution.

The terms and conditions mentioned in item No.3 of the notice may also be taken as an Abstract of the agreement to be made by the Company with Shri Ankur Patodia, pursuant to section 190 of the Companies Act, 2013.

Your Directors recommend this Resolution for approval.

Item No. 4 to 6

Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. Proviso to Section 188 provides that nothing contained in sub-section (l) of Section 188 applies where transactions are entered into by the company in the ordinary course of conduct of business other than transactions which are not on an arm's length basis.

Both M/s Patspin India Limited and M/s GTN Textiles Limited are Group companies hence the proposed transactions are deemed to be a related party transaction. Besides, Company has occupied a portion of Patodia House owned by Smt Mala Patodia for Managing Director's stay as well as office purposes in Ernakulam, Kochi. Hence, the proposed transaction is deemed to be a related party transaction. Since our company is an unlisted company, provisions of Section 188 shall only apply to the extent stated above. No approval from shareholders is required pursuant to the provisions of Section 188 of the Companies Act 2013, since the transactions are in the ordinary course of business and at arm's length.

However, as an abundant caution, your Directors seek your approval.

The following proposed transaction is for the approval of Shareholders of the Company by passing an ordinary resolution:

Name of Related party	Relationship	Estimated value of transaction (Rs. In lakhs)	Nature of the transaction (s)	Terms of the contract / or agreement
Patspin India Limited	Company in which Shri. B.K.Patodia and Shri. Umang Patodia are interested Directors and Promoter in the related party company.	3000	Sale, Purchase or supply of cotton and cotton yarn / waste	The proposed approval is for a maximum period of 15 months between two Annual General Meetings (AGM), being conclusion of the 43 rd AGM to the conclusion 44 th of the AGM. Further, the proposed transaction entered into by the company shall be in the ordinary course of business and at arms length basis.
		500	Selling or otherwise disposing off, or buying, property and other assets of any kind	
		2500	Availing or rendering of processing charges or any other transaction of whatever nature	

Name of Related party	Relationship	Estimated value of transaction (Rs. In lakhs)	Nature of the transaction (s)	Terms of the contract / or agreement
GTN Textiles Limited	Company in which Shri. B.K.Patodia and Shri. Umang Patodia are interested Directors and Promoter in the related party company.	1000	Sale, Purchase or supply of cotton and cotton yarn / waste	The proposed approval is for a maximum period of 15 months between two Annual General Meetings (AGM), being conclusion of 43 rd AGM to the conclusion 44 th of the AGM. Further, the proposed transaction entered into by the company shall be in the ordinary course of business and at arms length basis.

Name of Related party	Relationship	Estimated value of transaction (Rs. In lakhs)	Nature of the transaction (s)	Material Terms of the contract / or agreement
Smt Mala Patodia	Wife of Shri. Umang Patodia who is the brother of Shri. Ankur Patodia, Managing Director.	10	Rent	The proposed approval is for a maximum period of 15 months between two Annual General Meetings (AGM), being conclusion of the 43 rd AGM to the conclusion 44 th of the AGM. Further, the proposed transaction entered into by the company shall be in the ordinary course of business and at arm's length basis.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

Name of the Related Party	Patspin India Limited / GTN Textiles Limited
Name of the Director or key managerial personnel who is related, if any	Shri. Ankur Patodia, Managing Director
Nature of Relationship	Shri. B.K.Patodia is the father of Shri. Ankur Patodia, Managing Director and Shri. Umang Patodia is the brother of Shri. Ankur Patodia
The nature, material terms, monetary value and particulars of the contract or arrangement	As per table above
Any other information relevant or important for the members to take a decision on the proposed resolution	Patspin India Limited had successfully implemented a Resolution Plan pursuant to RBI Circular dated 7 th June 2019. There will be requirement to procure / sell the materials from the said related party in the normal course of business and at arm's length. GTN Textiles Limited is proposed to carry on trading activities of cotton and cotton yarn products and hence this proposal. The transaction with the said related party shall be in the normal course of business and at arm's length

Name of the Related Parties	Smt Mala Patodia
Name of the Director or key managerial personnel who is related, if any	Shri. Ankur Patodia, Managing Director
Nature of Relationship	Smt. Mala Patodia is the wife of Shri. Umang Patodia who is the brother of Shri. Ankur Patodia, Managing Director
The nature, material terms, monetary value and particulars of the contract or arrangement	As per table above
Any other information relevant or important for the members to take a decision on the proposed resolution	The company has hired a portion of house owned by Smt. Mala Patodia for Managing Director's stay in Kochi as well as for office purpose. The rent paid (2/3rd for Office and 1/3rd for residence is being very low compared to the market value. The rent paid (Rs. 75,000 per month) is being very low compared to the market value.

The above proposed arrangements / transactions were approved by the Audit Committee at their meeting held on 18.6.2024 and recommended by the Board of Directors at its meeting held on 18.6.2024 to the Shareholders of the Company for their approval.

Directors or their relatives as mentioned as related parties above may be deemed to be interested or concerned in the Resolution.

None of the other Directors of the Company or their relatives is in any way, financially or otherwise, concerned or interested in the resolution.

The above proposal is in the interest of the Company and the Board recommends the Ordinary Resolution as set out at Item No. 4 to 6 for approval by the members of the Company.

Item No.7

The Board of Directors of the company, on the recommendation of the Audit Committee, approved the appointment of M/s Hareesh K.N & Associates, Cost Accountants (Firm Regn. No. 101974) as Cost Auditors to conduct the audit of the cost records of the company's textile units at a remuneration of Rs. 70,000 (Rupees Seventy thousand only) plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the financial year 2024-25

In terms of the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records & Audit) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the members of the company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No 7 of the notice for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st March 2025.

None of the Directors and / or Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No 7

Your Directors recommend the resolution for approval.

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai
Date : 18.6.2024

ANKUR PATODIA
Managing Director
(DIN 00003567)

GTN ENTERPRISES LIMITED

BOARD'S REPORT

To the Members,

Your Directors present the **FORTYTHIRD (43RD)** Board's Report together with the Audited Statement of Accounts for the year ended 31st March, 2024

1. FINANCIAL RESULTS

₹ in Crores

	FY 2023-24	FY 2022-23
Revenue from Operations & Other Income	380.70	344.09
EBITDA	29.51	26.63
Finance cost	6.46	8.60
Depreciation and Amortization expenses	4.13	3.92
Profit before Tax	18.92	14.11
Tax Expenses		
Current Tax -MAT	(5.31)	(4.83)
MAT credit/ Deferred tax credit/ (charge)- Net	(0.32)	0.50
Profit/(Loss) after Tax	13.29	9.78

2. FINANCIAL PERFORMANCE

For the Financial Year 2023-24, the company has posted significantly improved performance with exports account for 60% of the total Revenue. The company could achieve this notable performance even when the Indian Textile Industry was impacted severely due to challenging market conditions on account various external factors. The revenue for the financial year 2023-24 was higher at Rs.380.70 Cr as against Rs.344.09 Cr recorded in the previous year. Exports during the year amounted to Rs.247.19 Cr as against Rs.211.87 Cr achieved in the previous year, an increase of 17%. EBITDA levels have also improved by 11% during the year as compared to previous year (Rs.29.51 Cr vs. Rs.26.63 Cr). For FY 2023-24 PBT was higher by 34% over the previous year i.e. 18.92 Cr vs. Rs.14.11 Cr and after the Income-tax expenses, the PAT for the financial year 2023-24 was at Rs.13.29 Cr as against Rs.9.78 Cr achieved in the previous year.

During the year, the company has successfully commissioned 2.8 MW Roof Top Solar Power Generating Project on 28.03.24 which could replace about 20% of high cost power drawn from TANGEDCO. The company is also sourcing 4.4 MW Solar Power under Group Captive Solar Power purchase from Solar Power generating companies, which has also replaced 34% of the power sourced from TANGEDCO at higher cost. The aforesaid solar power utilization would result in significant saving of about Rs.5 Cr annually. The company is also continuously exploring possibility of further sourcing cost effective solar power to reduce TANGEDCO power consumption to achieve higher savings in the power cost.

The company has carried out certain critical modernization of its machinery by spending about Rs.4 Cr from the internal cash accruals. The benefit of which in terms of improved yield, quality, flexibility in product range, savings in power cost etc. is expected to result in the current financial year.

3. DIVIDEND

Your Board have pleasure to recommend dividend to the shareholders of the company after a long span of 11 years, since 2011-12, as under :

- Rs. 3 (Rupees three only) (30%) per equity share of Rs. 10 (Rupees Ten only) each as final dividend for the FY2023-24 to its equity shareholders.
- 0.01% dividend to Redeemable Preference Shareholders

The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company.

4. DIRECTORS

During the year under review, Smt. Prabha Patodia had joined the Board as an Additional Director effective from 2nd March 2024. Thereafter citing some personal reasons Smt. Prabha Patodia had resigned effective from 17th June 2024. Except the same, there is no change in the composition of the Board of Directors and the Key Managerial Personnel.

The present composition of the Board of Directors is Shri Ankur Patodia, Managing Director, Shri P C Seksaria, Independent Director and Shri P N Sukumaran Nair, Independent Director.

BOARD'S REPORT (Contd...)

5. NUMBER OF MEETINGS OF THE BOARD

Six (6) meetings of the Board of Directors were held during the Financial Year 2023-24

6. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once on 2.3.2024 during the Financial Year under review. The Meeting was conducted without the presence of the Non-Independent Directors and members of management.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 31st March, 2024 and state that:

- a) in the preparation of the Annual Accounts, the applicable Indian Accounting Standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at 31st March 2024 and of the profit or loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013, annual evaluation of the Board, the Directors individually as well as working of its constituted Committees has been carried out from time to time.

9. AUDITORS

Shri. R.Mugunthan, Practicing Chartered Accountant, Chennai (ICAI Registration No.021397) was appointed as the Statutory Auditors of the Company at the 41stAGM for a term of five consecutive years till the conclusion of the 46th AGM to be held on in the year

2027. The Auditors' Report on the financial statements for the year ended 31st March 2024 does not contain any reservation, qualification or adverse remark.

10. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Shri. MRL Narasimha (C.P No. 799), Practicing Company Secretary to undertake the Secretarial Audit of the Company.

Secretarial Audit Report dt 20.6.2024 issued by Shri. MRL Narasimha, Practicing Company Secretary in Form MR-3 forms part to this report as Annexure I. Your Board vide circular Resolution dated 20.6.2024 unanimously approved the same. The said report does not contain any observation or qualification requiring explanation or adverse remark

11. COST AUDITORS

Pursuant to Section 148 of the Act read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records of the Company are required to be audited. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Hareesh K.N and Associates, Cost Accountants (Firm Reg. No. 101974) Cost Accountants, to audit the cost accounts of the Company for the FY ending 31stMarch, 2025.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, necessary resolution is proposed for ratification for the remuneration payable to M/s. Hareesh K.N and Associates, Cost Auditors in the Notice convening the 43rd Annual General Meeting.

12. DEPOSIT FROM PUBLIC

The Company does not have "Deposits" as contemplated under Clause V of the Companies Act 2013. Further, the company has not accepted any such deposits during the year ended 31st March 2024.

13. EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules ,2014, the extract of the Annual Return of the company for the Financial Year 31st March 2024 is annexed hereto as Annexure II and forms part of this Report.

14. RELATED PARTY TRANSACTIONS

During the financial year 2023-24, all contracts / arrangements / transactions entered into by your Company with Related Parties were on an arm's length pricing basis and were in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013.

BOARD'S REPORT (Contd...)

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company and hence, disclosure in Form AOC 2 is not required. All related party transactions are placed before the Audit Committee as also before the Board for approval.

The Board of Directors, as recommended by the Audit Committee, adopted a policy to regularize transactions between the company and its related parties, in compliances with applicable provisions of the companies Act 2013 and the Rules thereunder.

15. LOANS & INVESTMENTS

Details of loans, guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements forming part of this report.

16. CREDIT RATING

M/s. Infomercs Analytics & Research (P) Limited have carried out review of the External credit rating of the company and vide their report dated 23rd May 2024, they have reaffirmed the Investment grade (BBB-) for long term working capital facilities and IVR A3 for short term working capital facilities

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been, over the years, pursuing as part of its corporate philosophy as unwritten CSR policies, voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

Your Board is having a CSR Committee to initiate Company's CSR Policy in accordance with Schedule VII of the Companies Act 2013 and has adopted a CSR Policy in compliance with the provisions of the Act.

Section 135 of the Companies Act, 2013 stipulates expenditure of 2% of the average net profit of preceding 3 financial years on CSR activities and as per the same, the Company has spent Rs. 23,86,832 with "CankidsKidsCan" – The National Society for Change for Childhood Cancer in India, registered as CSR Implementation Agency bearing registration number: CSR00000341 allotted by Ministry of Corporate Affairs(MCA). The Statutory disclosures with regard to CSR is annexed hereto forming part of this Report - Annexure III

18. RISK MANAGEMENT

The company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps

to be taken to manage/ mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted, and no major risks were noticed, which may threaten the existence of the company.

19. VIGIL MECHANISM / WHISTE BLOWER POLICY

The company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances. The Vigil Mechanism (Whistle Blower Policy) has been posted on the company's website (www.gtnterprises.com).

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREGIN EXCHANGE AND OUTGO

Information required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in the Annexure IV forming part of this report

21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective internal control and risk mitigation system designed to effectively control the operations at its Head Office, Plants and Depots. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the company.

22. NOMINATION & REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has always provided a congenial atmosphere for work to all employees that are free from discrimination and harassment including sexual harassment. It has provided equal opportunities of

BOARD'S REPORT (Contd...)

employment to all without regard to their caste, religion, color and sex. The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 and also framed a Policy on "Prevention of Sexual Harassment" at the workplace.

The Company has not received any complaints under this policy during the year ended 31st March 2024.

24. PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134 (3) (q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUENRATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to section 134 (3) (q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered office of the company during business hours on working days of the company up to the date of the ensuing Annual General meeting. If any Member is interested in obtaining a copy thereof, such member may write to the company in this regard.

25. PERSONNEL & INDUSTRIAL RELATIONS

Industrial Relations were cordial and satisfactory. There were no employees whose particulars are to be given in terms of Section 134(3)(q) of the companies Act, 2013 read with Rule 5(2) and 5(3) of the companies

(Appointment and Remuneration of Managerial personnel) Rules, 2014.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of your Company and its future operations.

27. GENERAL

- a) There was no issue of equity shares with differential rights as to dividend, voting or otherwise: and;
- b) There was no issue of shares (including sweat equity shares) to the employees of the company under any scheme.

28. ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the co-operation and support extended by Central Bank of India, State Bank of India, Stakeholders, Business Associates, Central and State Governments and District Level Authorities and look forward to their continued support in future.

We are also pleased to record our appreciation of the efficient and loyal services rendered by each and every employee and workman of the Company at all levels without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

For and on behalf of the Board of Directors

	P.C. Seksaria	ANKUR PATODIA
Place: Mumbai	Independent Director	Managing Director
Date: 18.6.2024	(DIN:00003611)	(DIN:00003567)

Annexure - I

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

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

To
The Members
GTN ENTERPRISES LIMITED

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **GTN ENTERPRISES LIMITED** (hereinafter called "the Company") **during the financial year from 1st April, 2023 to 31st March, 2024** ("the year"/ "audit period"/ "period under review"). I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing my opinion thereon.

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31st March 2023 but before the issue of this audit report and the information provided by the Company, its officers, agents and authorised representatives during my conduct of the Secretarial Audit.

1. I hereby report that:

- 1.1. In my opinion, during the audit period covering the **financial year ended on 31st March 2024**, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The Members are requested to read this report along with my letter of even date annexed to this report as Annexure – A.
- 1.2. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of :
 - (i) The Companies Act, 2013 (the Act), and the rules made thereunder.
 - (ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
 - (iii) The following laws, that are specifically applicable to the Company:
 - (a) Essential Commodities Act 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17th April, 2003); and
 - (b) The Electricity Act, 2003.
- 1.3 I have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India.
- 1.4. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2024 but before the issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information and explanations furnished to me, complied with the applicable provisions / Clauses of the Acts, Rules, Regulations, Agreements, Guidelines and Standards mentioned under paragraphs 1.2 and 1.3 above.
- 1.5. I am informed that, during / in respect of the year:
 - (i) The following Acts / Regulations and Guidelines are **not applicable**:
 - a) Securities Contracts (Regulations) Act, 1956 and the Rules made thereunder.
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Annexure - I

- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) Due to non-occurrence of certain events, the Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/ returns under:
- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) There was no law, other than those specified in paragraph 1.2 (iii) above, that was specifically applicable to the Company, considering the nature of its business. Hence the requirement to report on compliance with specific laws did not arise.

2. I further report that:

- 2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and a Woman Director.
- 2.2 Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent atleast seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:
- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and
 - (ii) Additional subjects / information / presentations and supplementary notes.
- Consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.
- 2.3 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters discussed during the year that were required to be captured and recorded as part of the minutes.

3. I further report that:

- 3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Other than the above, there were no instances of:

- Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
- Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations

Place:- Coimbatore
Date:- 20/06/2024
UDIN:F002851F0000594631

M.R.L. Narasimha
Practicing Company Secretary
Membership No: F 2851
Certificate of Practice 799
Peer Review No:-1420/2021

Annexure - I (Contd...)

Annexure – A to Secretarial Audit Report of even date

The Members,

GTN ENTERPRISES LIMITED,

ALWAYE.

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2024 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed such audit practices and processes as I considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, I have also considered compliance related action taken by the Company after 31st March 2024 but before the issue of this report.
4. I have verified the secretarial records furnished to me on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
5. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
7. My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place:- Coimbatore
Date:- 20/06/2024
UDIN:F002851F0000594631

M.R.L. Narasimha
Practicing Company Secretary
Membership No: F 2851
Certificate of Practice 799
Peer Review No:-1420/2021

Annexure - II**FORM NO. MGT.9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31/03/2024

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN:-U67120KL1981PLC013244
- ii. Registration Date: 27/07/1981
- iii. Name of the Company: GTN ENTERPRISES LIMITED
- iv. Category / Sub-Category of the Company: PUBLIC, HAVING SHARE CAPITAL
- v. Address of the Registered office and contact details:

NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:	
Name	GTN ENTERPRISES LIMITED
Address	61/461 5th Floor, PALAL TOWERS, RAVIPURAM, MG ROAD, ERNAKULAM, COCHIN- 682016
Town / City	ERNAKULAM
State	KERALA
Pin Code:	683105
Country Name :	INDIA
Country Code	91

vi) Whether listed Company: NO

vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any:**

CDSL VENTURES LIMITED, Marathon Furturex, 'A' Wing, 25th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai 400013

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	COTTON YARN SPINNING	13111	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

Not Applicable

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2023]				No. of Shares held at the end of the year [As on 31.03.2024]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	4500810	NIL	4500810	99.967	4500810	NIL	4500810	99.967	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	1500	NIL	1500	0.033	1500	NIL	1500	0.033	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Annexure - II (Contd...)

Total shareholding of Promoter (A)	4502310	NIL	4502310	100	4502310	NIL	4502310	100	NIL
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions									
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	4502310	NIL	4502310	100	4502310	NIL	4502310	100	0.00

ii. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2023)			Shareholding at the end of the year (31.03.2024)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Binod Kumar Patodia	472310	10.49	10	450231	10.00	10	-0.49
2	Binod Kumar Patodia HUF	608500	13.51	NIL	0	0	NIL	-100
3	Umang Patodia HUF	392000	8.70	NIL	0	0	NIL	-100
4	Ankur Patodia HUF	360000	8.00	NIL	360000	8.00	NIL	NIL
5	Prabha Patodia	580000	12.89	NIL	602079	13.37	NIL	0.49
6	Patodia Exports and Investments Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
7	Beekaypee Credit Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
8	Umang Finanace Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
9	Umang Patodia & Binod Kumar Patodia, Prabha Patodia(J/H)*	555000	12.32	10	450231	10.00	10	-2.32
10	Mala Patodia & Binod Kumar Patodia, Umang Patodia (J/H)**	473000	10.51	NIL	577769	12.83	NIL	2.32
11	Ankur Patodia & Binod Kumar Patodia, Prabha Patodia(J/H)***	650000	14.44	10	954250	21.19	10	NIL

Annexure - II (Contd...)

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2023)			Shareholding at the end of the year (31.03.2024)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
12	Swati Patodia & Binod Kumar Patodia, Prabha Patodia(J/H)****	410000	9.11	NIL	410000	9.11	NIL	NIL
13	Aanavi Patodia	0	0	NIL	196000	4.35	NIL	100
14	Arnav Patodia	0	0	NIL	500250	11.11	NIL	100

* During the year under review, equity shares jointly held by Shri Umang Patodia & Shri Binod Kumar Patodia, Smt Prabha Patodia were transferred to the first holder Shri Umang Patodia.

** During the year under review, equity shares jointly held by Smt Mala Patodia & Shri Binod Kumar Patodia, Shri Umang Patodia were transferred to the first holder Smt Mala Patodia.

*** During the year under review, equity shares jointly held by Shri Ankur Patodia & Shri Binod Kumar Patodia, Smt Prabha Patodia were transferred to the first holder Shri Ankur Patodia.

**** During the year under review, equity shares jointly held by Smt Swati Patodia & Shri Binod Kumar Patodia, Smt Prabha Patodia were transferred to the first holder Smt Swati Patodia.

iii. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year (01.04.2023)		Cumulative Shareholding during the year (31.03.2024)	
		No. of shares	% of total shares of the Co.	No. of shares	% of total shares of the Co.
1	Binod Kumar Patodia				
	At the beginning of the year	4,72,310	10.49	4,50,231	10
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	22079 shares transferred to Smt Prabha Patodia on 20 Dec 2023			
	At the end of the year	-	-	4,50,231	10
2	Binod Kumar Patodia HUF				
	At the beginning of the year	6,08,500	13.51	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	304250 shares each have been transferred to Shri Ankur Patodia and Shri Arnav Patodia respectively on 29.2.2024			
	At the end of the year	-	-	0	0
3	Umang Patodia HUF				
	At the beginning of the year	3,92,000	8.70	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	1,96,000 shares each have been transferred to Shri Arnav Patodia and Ms Aanavi Patodia respectively on 29.2.2024.			
	At the end of the year	-	-	0	0
4	Prabha Patodia				
	At the beginning of the year	5,80,000	12.89	6,02,079	13.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	22079 shares received by Smt Prabha Patodia from Shri B K Patodia on 20 Dec 2023			
	At the end of the year	-	-	6,02,079	13.37
5	Umang Patodia				
	At the beginning of the year	5,55,000	12.32	4,50,231	10
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	104769 shares transferred to Smt Mala Patodia on 12.12.2023			
	At the end of the year	-	-	4,50,231	10

Annexure - II (Contd...)

SN	Particulars	Shareholding at the beginning of the year (01.04.2023)		Cumulative Shareholding during the year (31.03.2024)	
		No. of shares	% of total shares of the Co.	No. of shares	% of total shares of the Co.
6	Mala Patodia				
	At the beginning of the year	4,73,000	10.51	5,77,769	12.83
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	1,04,769 shares received by Smt Mala Patodia from Shri Umang Patodia on 12.12.2023			
	At the end of the year	-	-	5,77,769	12.83
7	Ankur Patodia				
	At the beginning of the year	6,50,000	14.44	9,54,250	21.19
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	3,04,250 shares received by Shri Ankur Patodia from M/s Binod Kumar Patodia HUF on 29.2.2024			
	At the end of the year	-	-	9,54,250	21.19
8	Aanavi Patodia				
	At the beginning of the year	0	0	1,96,000	4.35
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	1,96,000 shares received by Ms Aanavi Patodia from M/s Umang Patodia HUF on 29.2.2024			
	At the end of the year	-	-	1,96,000	4.35
9	Arnav Patodia				
	At the beginning of the year	0	0	5,00,250	11.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc):	3,04,250 shares received by Shri Arnav Patodia from M/s Binod Kumar Patodia HUF on 29.2.2024 1,96,000 shares received by Shri Arnav Patodia from M/s Umang Patodia HUF on 29.2.2024			
	At the end of the year	-	-	5,00,250	11.11

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Not Applicable

Annexure - II (Contd...)

v. Shareholding of Directors and Key Managerial Personnel:

SN	Name of the KMP and directors	PARTICULARS	Shareholding at the beginning of the year (01.04.2023)		Cumulative Shareholding during the year(31.03.2024)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ankur Patodia	At the beginning of the year	650000	14.44	954250	21.19
		Changes during the year	304250 shares received by Shri Ankur Patodia from M/s Binod Kumar Patodia HUF on 29.2.2024			
		At the end of the year			954250	21.19
2.	P.C. Seksaria	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00
3.	P.N.Sukumaran Nair	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

i. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(in Lakhs.)

SN.	Particulars of Remuneration	ANKUR PATODIA (MANAGING DIRECTOR)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41.42	41.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income - Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)	41.42	
	Ceiling as per the Act	60.00	60.00

ii. Remuneration to other directors

(in ₹)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	B.L Singhal	P.C Seksaria	P.N Sukumaran Nair	V.N. Balakrishnan	
	Fee for attending board / committee meetings	2000	24000	22000	2000	50000
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors	B.K Patodia	Umang Patodia			
	Fee for attending board / committee meetings	2000	2000			4000
	Commission					
	Others, please specify					
	Total (2)					
	Total (B) = (1+2)					54000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

Annexure - II (Contd...)

V. INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2822.30	760	-	3582.30
ii) Interest due but not paid	18.13	-	-	18.13
iii) Interest accrued but not due	0.00	124.99	-	124.99
Total (i+ii+iii)	2840.43	884.99	-	3725.42
Change in Indebtedness during the financial year				
* Addition	371.05		-	371.05
* Reduction	-	-287.71	-	-287.71
Net Change	371.05	-287.71	-	83.34
Indebtedness at the end of the financial year				
i) Principal Amount	3195.61	590.00	-	3785.61
ii) Interest due but not paid	15.87	-	-	15.87
iii) Interest accrued but not due	0.00	7.28	-	7.28
Total (i+ii+iii)	3211.48	597.28	-	3808.76

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFNCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Mumbai
Date: 18.6.2024

P. C. SEKSARIA
Independent Director
(DIN:00003611)

ANKUR PATODIA
Managing Director
(DIN:00003567)

Annexure - III

CSR Report 2023-24

a) Brief outline of CSR policy

The company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013. The CSR Policy inter-alia covers the concept (CSR philosophy, activities undertaken by the group, scope and applicability, resources, identification and approval process, implementation and monitoring, etc.).

b) Composition of CSR Committee

The CSR Committee of the Board of Directors presently consists of 3 Directors namely Shri. P.N.Sukumaran Nair (Independent Director) as Chairman, Shri. P.C.Seksaria, Independent Director and Shri. Ankur Patodia, Managing Director as members. The composition of the committee conforms to the statutory requirement.

c) Calculation of Average net profit of the company as per Section 135(5).

Particulars	Net profit (PBT) for the purpose of CSR Obligation (Amt. in Rs.) Up to FY 2022-23
Net profit / (loss) for 2022-23	14,10,54,718
Net profit / (loss) for 2021-22	24,84,99,434
Net profit / (loss) for 2020-21	(3,15,49,062)
A. Total Net profit / (loss) for 3 years	35,80,05,090
B. Average net profit / (loss) (A/3)	11,93,35,030
C. 2% of average net profit (to be spent during FY 2023-24)	23,86,700
C. Surplus arising out of the CSR projects of previous financial year	532
D. Amount required to be set off for the financial year, if any	Nil
E. Total CSR Obligation for the financial year	23,86,700

d) Details of CSR amount spent

Amt. in Rs.

a	Amount spent on CSR Activities	23,86,832
b	Actual amount to be spent for the FY 2023-24	23,86,700
c	Surplus amount spent during FY 2024-25	130
d	Details of unspent CSR amount for the preceding three financial years	Nil
e	Whether any capital assets have been created or acquired through CSR amount spent in the financial year	Nil

Meeting of Board of Directors held on 4.7.2023 had approved CSR obligation of Rs. 23, 86,700 to be spent for FY 2023-24 and amount was remitted to M/s. Cankids KidsCan for the Project activities at Cankids hospital support units namely: - a) APOLLO Cancer Specialty Hospital, Chennai, b) Jawaharlal Institute of Postgraduate Medical Education and Research (JIPMER) Hospital, Chennai and for children with cancer at CHSUs PAN India.

Cankids KidsCan – The National Society for Change for Childhood Cancer in India, set up in 2004 under the umbrella of Indian Cancer Society. Cankids is registered as an Independent National Society in 2012. Cankids envisions to enable global standards of survival for childhood cancer in India, provide holistic access to care to children with cancer and their families, and secure their Rights of the child with Cancer. Further, the said organization is registered as CSR Implementation Agency bearing registration number: CSR00000341 allotted by Ministry of Corporate Affairs (MCA), which carries out activities in line with those specified under Schedule VII of the Companies Act 2013.

This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR Objectives as well as the Policy of the Company

For and on behalf of the Board of Directors

Place: Mumbai
Date: 18.6.2024

P. C. SEKSARIA
Independent Director
(DIN:00003611)

ANKUR PATODIA
Managing Director
(DIN:00003567)

Annexure - IV

ANNEXURE TO THE DIRECTOR'S REPORT

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo etc. required to be disclosed under Section 134 of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of energy-

- (i) The step taken or impact on conservation of energy
 - (ii) The steps taken by the company for utilizing alternate sources of energy
 - (iii) The capital investments on energy conservation equipments
- GEL – A. Optimum Power motor provided for 1 No Ring Frame machine and achieved power saving of 5616 Units per Annum
 - We have provided nylon blended Aluminum fan for Humid-ification plant for 2 Nos of supply fan and achieved 32400 Units per Annum.
 - GEL – B. CDS compact conversion done for 2 Nos of ma-chine and net saving achieved 33120 units per Annum..
 - Total saving in the above three conservation efforts is 71136 units per Annum

(B) Technology absorption:

- a) The efforts made towards technology absorption : Updation of Technology is a continuous process, absorption implemented and adapted by the company for innovation. Efforts are continuously made to develop new products required in the Textile / Spinning Industry.
- b) the benefits derived like product improvement, cost reduction, product development or import substitution : Individual Spindle Monitoring system installed in 17 ring frames for real time monitoring of production data, power, breakages, waste, defective spindles, worker efficiency, humidity, etc to effect improvement in productivity, efficiency and quality levels.
In GEL A. 8 ring frames and GEL B - 2 ring frames Compact conversion done to upgrade yarn quality
2 Nos 338 Autoconer were replaced with Q Pro – 1 No and F Pro 1 No for better yarn quality
- c) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a) the details of technology imported
 - b) the year of import;
 - c) whether the technology been fully absorbed
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
- d) The expenditure incurred on Research and : NIL
Development.

The Foreign Exchange earned in terms of actual inflow during the year - Rs. 24157.01 Lakhs

The Foreign Exchange outgo during the year in terms of actual outflows – Rs. 9303.33 Lakhs

For and on behalf of the Board of Directors

Place: Mumbai
Date: 18.6.2024

P. C. SEKSARIA
Independent Director
(DIN:00003611)

ANKUR PATODIA
Managing Director
(DIN:00003567)

INDEPENDENT AUDITOR'S REPORT

To the Members of GTN Enterprises Limited

Report on the audit of financial statements

Opinion

I have audited the financial statements of **GTN Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (here in after referred to as financial statements).

In my opinion and to the best of my information and according to the explanations given to me, 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 Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2024**, the **Profit** and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the financial statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and my auditor's report thereon.

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

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

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

Management responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

Auditors' Responsibilities for the audit of the financial statements

My 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 my 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

INDEPENDENT AUDITOR'S REPORT (Contd...)

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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my 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 in terms of Section 143 (11) of the Act, I give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- A.** As required by Section 143 (3) of the Act, based on my audit I report that:
- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
 - b. In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
 - c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In my opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act;
 - e. On the basis of the written representations received from the directors of the Company as on **March 31, 2024** taken on record by the board of directors, none of the directors are disqualified as on **March 31, 2024** from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in **Annexure "B"** and
- B.** With respect to the other matters to be included in the auditors' report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of my information and according to the explanations given to me:
- I The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd...)

- ii The Company does not have any long-term contracts including derivative contracts.
 - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material mis-statement.
 - v. The company has not declared dividend or paid during the year and hence compliance with section 123 of the Companies Act, 2013 is not applicable for the year under review.
 - vi. Based on my examination, which included test checks, the Company (except in a unit having insignificant turnover about 2% of the total turnover where the books of account maintained in tally software) has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- Further, during the course of my audit I did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- C.** 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 my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Companies Act 2013.

Place: Kochi
Date : 18/06/2024

R.Mugunthan
Chartered Accountant
M.No.21397
UDIN: 24021397BKBJWZ4926

INDEPENDENT AUDITOR'S REPORT (Contd...)

Annexure - A to the Independent Auditors' Report

Referred to in paragraph (1) under report on Other Legal and Regulatory Requirements section of my report of even date to the members of the company on the financial statements for the year ended 31st March, 2024, I report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) As explained to me, property, plant and equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noted on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (d) During the year, the Company had not revalued any of its Property, plant and equipment and intangible assets.
- (e) According to the information and explanations given to me, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to me, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy of 10% or more in the aggregate for each class of inventory was noticed on physical verification of stocks by the management as compared to book records.
- (b) During the year, as per the records furnished before me the quarterly returns filed by the company with the bank are in agreement with the books of account of the company.
- (iii) According to the information and explanations given to me during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability Partnerships or any other parties and hence the clause (iii) sub-clause (a) to (f) of the Order are not applicable to the company.
- (iv) In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) I have broadly reviewed the books of account maintained by the company pursuant to sub-section (1) of Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and service tax, provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. However, in respect of Employees state insurance contribution there was couple of days delay in remittances for the month of June'23 and a days delay in remittances for the months from July'23 to September'23 from the due date. Further, no undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to me, there are no dues which have not been deposited on account of dispute and the same being contested by the Company.
- (viii) The company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) During the year, Company has not defaulted in repayment of dues to lenders.
- (b) According to the information and explanation given to me and on the basis of my audit procedures, I report that the company has not been declared willful defaulter by any bank or financial institutions or government or government authority.
- (c) In my opinion and according to the information and explanations given to me, the company has utilised the money obtained by way of term loan during the year for the purposes for which they are obtained.
- (d) According to the information and explanation given to me and on an overall examination of the Balance sheet of the company, I report that no funds raised on short-term basis have been used for long-term purposes.
- (e) According to the information and explanations given to me and on an overall examination of financial statements of the company, I report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to me and procedures performed by me, I report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

INDEPENDENT AUDITOR'S REPORT (Contd...)

- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
(b) The company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under review.
- (xi) (a) According to the information and explanations given to me, no material fraud by the Company or on the Company has been noticed or reported during the course of my audit.
(b) During the year and up to the date of this report, no report under section (12) of section 143 of the Companies Act in Form ADT – 4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central government
(c) As represented to me by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In my opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to me and based on my examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In my opinion and based on my examination, the company has an internal audit system commensurate with the size and nature of its business.
(b) I have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to me, in my opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities and has not obtained any valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) and (d) not applicable for the year under review.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Companies Act, 2013, in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
(b) In respect of ongoing projects, the Company has no unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of Section 135(6) of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- (xxi) This clause is not applicable to the company.

Place: Kochi
Date : 18/06/2024

R.Mugunthan
Chartered Accountant
M.No.21397
UDIN: 24021397BKBJWZ4926

INDEPENDENT AUDITOR'S REPORT (Contd...)

Annexure - B to the Independent Auditors' Report on the financial statements of GTN Enterprises Limited

Report on the Internal Financial Controls with reference for the aforesaid financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to-in paragraph 1(A)(f) under Report on Other Legal and Regulatory Requirements section of my report of even date)

Opinion

I have audited the internal financial controls over financial reporting of GTN Enterprises Limited ("the Company") as on 31 March 2024 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

In my opinion, the company has, in all material respects adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

INDEPENDENT AUDITOR'S REPORT (Contd...)

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.

Place: Kochi

Date : 18/06/2024

R.Mugunthan

Chartered Accountant

M.No.21397

UDIN: 24021397BKBJWZ4926

GTN ENTERPRISES LIMITED

BALANCE SHEET

	Note No.	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	850.23	850.23
(b) Reserves and surplus	3	<u>6,186.33</u>	<u>4857.63</u>
Sub-Total		<u>7,036.56</u>	<u>5,707.86</u>
2 Non-current liabilities			
(a) Long-term borrowings	4	1,086.93	366.16
(b) Deferred tax liabilities (Net)	5	<u>802.23</u>	<u>770.21</u>
Sub-Total		<u>1,889.16</u>	<u>1,136.37</u>
3 Current liabilities			
(a) Short-term borrowings	6	2,698.68	3216.14
(b) Trade payables	7		
(i) total outstanding dues of micro and small enterprises		1284.20	52.42
(ii) total outstanding dues other than micro and small enterprises		1136.40	2223.80
(c) Other current liabilities	8	1476.55	1211.27
(d) Short-term provisions	9	<u>234.11</u>	<u>173.76</u>
Sub-Total		<u>6,829.94</u>	<u>6,877.39</u>
TOTAL		<u>15,755.66</u>	<u>13,721.62</u>
II. ASSETS			
1 Non-current assets			
(a) Property, Plant and equipment and intangible assets	10		
(i) Property, plant and equipment		5385.19	4546.18
(ii) Intangible assets		-	3.51
(iii) Capital work-in-progress		16.02	-
(b) Non-current investments	11	172.79	63.92
(c) Long-term loans and advances	12	183.61	384.31
(d) Other non-current assets	13	<u>361.71</u>	<u>288.04</u>
Sub-Total		<u>6,119.32</u>	<u>5,285.96</u>
2 Current assets			
(a) Inventories	14	2930.99	4378.32
(b) Trade receivables	15	5333.11	2764.20
(c) Cash and Bank Balances	16	471.34	784.53
(d) Short-term loans and advances	17	863.12	427.35
(e) Other current assets	18	<u>37.78</u>	<u>81.26</u>
Sub-Total		<u>9,636.34</u>	<u>8,435.66</u>
TOTAL		<u>15,755.66</u>	<u>13,721.62</u>

Significant Accounting Policies

1

The accompanying Notes 1 to 42 are an integral part of the financial statements

As per my report of even date attached

For and on behalf of the Board of Directors

R.MUGUNTHAN
Chartered Accountant
M. No.021397

P C SEKSARIA
Director
DIN No 00003611

ANKUR PATODIA
Managing Director
DIN No. 00003567

Place : Kochi
Date :18.06.2024

Place : Mumbai
Date : 18.06.2024

Place : Mumbai
Date : 18.06.2024

GTN ENTERPRISES LIMITED

STATEMENT OF PROFIT AND LOSS

	Note No.	2023-2024 (₹ in lacs)	2022-2023 (₹ in lacs)
REVENUE:			
Revenue From Operations	19	38,012.80	34,393.20
Other income	20	57.10	15.37
Total Income		38,069.90	34,408.57
EXPENSES:			
Cost of materials consumed	21	22,324.83	23,095.92
Purchases of Stock-in-Trade		3,982.98	1,147.77
Changes in inventories of finished goods, Work-in-progress and Waste	22	576.17	354.73
Employee benefits Expense	23	1,737.12	1,588.92
Finance costs	24	646.26	859.90
Depreciation and amortization expense		412.69	392.10
Other expenses	25	6,497.81	5,558.68
Total Expenses		36,177.86	32,998.02
Profit Before Tax		1,892.04	1,410.55
Tax Expense:			
Current tax		531.28	483.25
Deferred tax expense/(benefit)		32.02	(50.51)
Profit for the year		1,328.74	977.81
Earnings per equity share:	26		
Basic and Diluted (in Rs.) (Face value of Rs.10 each)		29.51	21.72
Significant Accounting Policies	1		
The accompanying Notes 1 to 42 are an integral part of the financial statements			
As per my report of even date attached		For and on behalf of the Board of Directors	
R.MUGUNTHAN Chartered Accountant M. No.021397		P C SEKSARIA Director DIN No 00003611	ANKUR PATODIA Managing Director DIN No. 00003567
Place : Kochi Date :18.06.2024		Place : Mumbai Date : 18.06.2024	Place : Mumbai Date : 18.06.2024

GTN ENTERPRISES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

	2023-24 (₹ In Lacs)	2022-23 (₹ In Lacs)
A. Cash flow from operating activities		
Net Profit / (Loss) before tax and extra ordinary items	1,892.04	1,410.55
Adjustments for:		
Depreciation	409.18	383.57
Amortisation	3.51	8.53
(Profit)/loss on sale of tangible assets (net)	-	(18.08)
Interest income	(20.44)	(10.54)
Interest Expenditure	508.03	667.35
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,792.32	2,441.38
Changes in Working Capital:		
Increase / (Decrease) in trade payables	144.38	150.52
Increase / (Decrease) in other current liabilities	387.43	141.20
(Increase) / Decrease in trade receivables	(2,568.91)	(728.55)
(Increase) / Decrease in inventories	1,447.33	165.73
(Increase) / Decrease in Short Term loans and advances	(392.79)	161.60
(Increase) / Decrease in Other Non current Assets	(73.67)	(234.53)
(Increase) / Decrease in other Bank balances	(144.79)	(227.59)
CASH GENERATED FROM OPERATIONS	1,591.30	1,869.76
Taxes paid (net of refunds)	(270.27)	(273.98)
NET CASH GENERATED FROM OPERATING ACTIVITIES	1,321.03	1,595.78
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(1,264.20)	(667.46)
Sale of tangible / intangible assets	-	174.78
Investment in Shares	(108.87)	(9.89)
Interest received	20.93	4.81
NET CASH FROM INVESTING ACTIVITIES	(1,352.14)	(497.76)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Long Term borrowings	890.00	-
Repayment of Long Term borrowings	(373.39)	(825.41)
Receipt / (Repayment) of Short Term borrowings (Net)	56.70	667.07
Intercompany Deposits	(370.00)	(75.50)
Interest paid	(630.18)	(628.38)
NET CASH USED IN FINANCING ACTIVITIES	(426.87)	(862.22)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(457.98)	235.80
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	501.60	265.80
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	43.62	501.60

Note:

- 1 The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3- Cash Flow Statement.
- 2 Previous year's figures have been regrouped wherever necessary.

As per my report of even date attached

For and on behalf of the Board of Directors

R.MUGUNTHAN
Chartered Accountant
M. No.021397

P C SEKSARIA
Director
DIN No 00003611

ANKUR PATODIA
Managing Director
DIN No. 00003567

Place : Kochi
Date :18.06.2024

Place : Mumbai
Date : 18.06.2024

Place : Mumbai
Date : 18.06.2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

1 Summary of Significant accounting policies

a. Basis of preparation

The financial statements are prepared to comply with the mandatory Accounting Standards prescribed in the Companies (Accounting Standards) Rules 2006, (as amended) issued by the National Advisory Committee on Accounting Standards and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention, on the basis of a going concern and on accrual basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 (twelve) months for the purpose of current – non current classification of assets and liabilities.

b. Rounding of amount

The financial statement are presented in Indian Rupees, which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs unless otherwise stated.

c. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses of that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

d. Property, Plant and Equipment

- (i) Tangible Assets/Intangible Assets are stated at acquisition cost less net of accumulated depreciation. Expenditure during construction period in respect of new project/expansion is allocated to the respective Property, Plant and Equipments on their being ready for commercial use. Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Also refer Policy g and h below. Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment which are carried at cost are recognised in the Statement of Profit and Loss.
- (ii) Impairment of Assets : The company assesses at each Balance Sheet date whether there is any indication that any asset (both tangible and intangible) may be impaired, if any such indication exists, the carrying value of such assets is reduced to recoverable amount and the impairment loss is charged to Statement of Profit and Loss. If at the Balance sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

e. Investments

Long term investments are stated at cost less provision, if any, for other than temporary diminution in the value of investments.

f. Inventories

Inventories are stated at lower of cost and net realisable value. Goods in process is stated at cost. The cost includes cost of purchase, freight, taxes and duties and is net of input credit where ever applicable, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Raw material is considered at "Weighted Average" cost basis and cost of finished goods is considered as per "Specific Identification" cost basis.

g. Revenue Recognition

Sales are recognised as and when risks and rewards of ownership are passed on to the buyer and ultimate realisation of price is reasonably certain. Sales are net of Goods and Service Tax.

h. Borrowing Cost

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. All other Borrowing costs are charged to Statement of Profit and Loss.

i. Depreciation

Depreciation has been provided on straight line method based on useful life of Assets as prescribed in Schedule II to the Companies Act, 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Plant and equipment's have been, on technical assessment, considered as continuous process plants as defined in the said Schedule and depreciation has been provided accordingly.

Intangible Assets are amortised based their estimated useful lives.

j. Employee Benefits

Short Term employee benefits including accrued liability for Leave Encashment (other than termination benefits) which are payable within 12 (twelve) months after the end of the period in which the employees render service are paid/provided during the year as per the Rules of the Company.

(i) Defined Contribution Plans:

Retirement benefits in the form of Provident Fund, Family Pension Funds, Superannuation Fund (wherever opted) and ESIC are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the Year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

(ii) Defined Benefit plans:

The company provides for Gratuity, a defined benefit retirement plan, covering eligible employees. The scheme is funded with Life Insurance Corporation of India. Liability under Gratuity plan is provided for on the basis of an actuarial valuation on projected unit credit method made to the end of each period.

(iii) Termination Benefits:

Payments under Voluntary Retirement Scheme, if any are recognized in the Statement of Profit and Loss of the year in which such payments are effected.

k. Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the rate of exchange in force at the date of transactions.

Foreign Currency assets and liabilities both monetary and non monetary are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognised in the Statement of profit and loss. Premium / Discount in respect of Forward Foreign Exchange contracts are recognised over the life of the contracts.

l. Taxation

Income Tax expenses comprises Current Tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year, unabsorbed depreciation or carry forward loss under taxation laws).

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted on the Balance Sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets at each balance sheet date the Company re-assesses the deferred tax assets.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period and is reviewed at each balance sheet date.

m. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

n. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The determination whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Company as a lessor

The rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant leases except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

(ii) Company as a lessee

Contingent rentals are recognised as expenses in the periods in which they are incurred. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

o. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

p. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

2 SHARE CAPITAL

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
(a) Authorised:		
49,97,500 Equity shares of Rs.10 each	<u>499.75</u>	<u>499.75</u>
250, 11% Cumulative Redeemable preference shares of Rs.100 each	<u>0.25</u>	<u>0.25</u>
400000, 0.01% Non Convertible Non Cumulative Redeemable Preference shares of Rs 100 each	<u>400.00</u>	<u>400.00</u>
(b) Issued, Subscribed and Paid up:		
45,02,310 Equity shares of Rs.10 each fully paid up	450.23	450.23
4,00,000 0.01% Non Convertible Non Cumulative Redeemable Preference shares of Rs 100 each fully paid up	400.00	400.00
	<u>850.23</u>	<u>850.23</u>

(c) Reconciliation of number of shares

	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount ₹ lacs	No of Shares	Amount ₹ lacs
Equity Shares:				
Balance as at the beginning of the year	4,502,310	450.23	4,502,310	450.23
Add: Shares issued during the Year	Nil	Nil	Nil	Nil
Balance as at the end of the year	4,502,310	450.23	4,502,310	450.23
0.01% Non Convertible Non Cumulative Redeemable Preference shares:				
Balance as at the beginning of the year	400,000	400.00	Nil	Nil
Add: Shares issued during the Year	Nil	Nil	400,000	400.00
Balance as at the end of the year	400,000	400.00	400,000	400.00

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Share Holder*		As at March 31, 2024		As at March 31, 2023	
		No of Shares	% of holding	No of Shares	% of holding
i	Shri. Binod Kumar Patodia	450,231	10.00%	472,310	10.49%
ii	Binod Kumar Patodia HUF			608,500	13.52%
iii	Shri. Umang Patodia	450,231	10.00%	555,000	12.33%
iv	Umang Patodia HUF			392,000	8.71%
v	Shri. Ankur Patodia	954,250	21.19%	650,000	14.44%
vi	Ankur Patodia HUF	360,000	8.00%	360,000	8.00%
vii	Smt. Prabha Patodia	602,079	13.37%	580,000	12.88%
viii	Smt. Mala Patodia	577,769	12.83%	473,000	10.51%
ix	Smt. Swati Patodia	410,000	9.11%	410,000	9.11%
x	Mis. Aanavi Patodia	196,000	4.35%		
xi	Shri. Arnav Patodia	500,250	11.11%		

* Shri B.K.Patodia, Shri Umang Patodia and Shri Ankur Patodia have pledged their 10% each equity shares in the Company aggregating 13,50,693 Equity shares i.e, 30% of the total equity share holding of the Company in favour of lead bank M/s. Central Bank of India.

- (e) Pursuant to Board of Directors approval dated 31.03.2023 the Company has allotted 0.01% of 4,00,000 Non Convertible Non Cumulative Redeemable Preference shares of Rs 100 each to the promoters and their associates, redemption at the end of 5 years from the date of allotment and the Company have an option to early redemption either partially or fully at any time after two years from the date of allotment by given written notice to the Preference share holders.
- (f) There was no issue of shares allotted as fully paid up shares pursuant to contract(s) without payment being received in cash or buy back or bonus shares in the preceding five years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

3 Reserves and surplus

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
(a) General Reserve		
Balance as at the beginning of the year	1,005.00	1,005.00
Add: Transfer from Profit and loss account	150.00	-
Balance as at the end of the year	1,155.00	1,005.00
(b) Capital Reserve		
Balance as at the beginning and the end of the year	15.00	15.00
(c) Surplus/(Deficit) in Statement of Profit and Loss		
Balance as at the beginning of the year	3,837.63	2,859.82
Add: Profit/ (Loss) for the year	1,328.74	977.81
Less: Transfer to General Reserve	(150.00)	-
Less: Provision for Preference share dividend	(0.04)	-
Balance as at the end of the year	5,016.33	3,837.63
TOTAL	6,186.33	4,857.63

	As at 31.03.2024 (₹ in lacs)		As at 31.03.2023 (₹ in lacs)	
	Non Current	Current	Non Current	Current
4 Long-term borrowings				
(a) Secured loans				
Term Loans :				
From Banks	636.93	169.21	116.16	301.85
(b) Un-secured loans				
Term Loans :				
From Bank				71.52
From Directors	250.00		250.00	
From Directors	200.00		-	
Total	1,086.93	169.21	366.16	373.37

I Term loan are secured by :

- (i) Term loans from Banks outstanding of Rs 116.14 lakhs (Previous year - Rs 418.01 lakhs) are guaranteed by Government of India Under Emergency Credit Line Guarantee Scheme shall rank second parri passu with the existing credit facilities .
- (ii) The unsecured Term loan aggregating to NIL (Previous year Rs 71.52 lakhs) from a scheduled Bank, is guaranteed by the Chairman and also by Managing Director of the Company in their personal Capacity.Out of this (Previous year 33.23 lakhs) is guaranteed by Government of India under Emergency Credit Line Guarantee Scheme.
- (iii) Term loans from Banks outstanding of Rs 690.00 lakhs (Previous year - NIL) are secured by hypothecation and first charge over the entire fixed assets created for the installation of 2.8 MW solar plant at Udumalpet factory.
- (iv) Unsecured loan from Directors Rs 250 lakhs (Previous year Rs 250 lakhs) received as per the stipulation of bank for payment of Employees settlement compensation, which carry interest rate at 7.00% p.a.
- (v) Unsecured loan Rs 200 lakhs brought in by the promoter as share application money as per stipulation by the term loan lender and the company is in the process of carrying on valuation of shares based on audited financial statements approved as at 31.3.2024 and propose to complete statutory formalities to convert these application money in to Equity Shares at a suitable share premium based on valuation report(s)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

II The Maturity Pattern of Loans are as set out below:

(₹ in lacs)

	Maturity Pattern		
	Within One Year	2-5 Years	Beyond 5 Years
a) Term Loans - Secured	169.21	530.76	106.17

III Rate of Interest:

a) Term loans - Secured	9.50%
-------------------------	-------

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
5 Deferred Tax Liability (Net)		
(a) Deferred Tax Liabilities		
Difference of companies act and income tax act depreciation	848.83	795.73
(b) Deferred Tax Asset		
Other Disallowances	46.60	25.52
Net Deferred Tax Liability (a)-(b)	802.23	770.21
6 Short-term borrowings		
(a) Secured Loans		
Loan Repayable on demand		
From Banks - Working Capital facilities	2389.47	2332.77
Current maturities of long-term loan	169.21	301.85
(b) Unsecured Loans		
Corporate Deposit	140.00	510.00
Current maturities of long-term loan	0.00	71.52
Total	2698.68	3216.14

- i Working Capital facilities loans from Banks are secured by pari passu first charge by way of hypothecation of current assets, and further secured by way of first charge on all immovable assets, both present and future and on all movable assets of the company, ranking pari passu interest, and further secured by personal guarantee of Shri B.K.Patodia, Shri Umang Patodia and Shri Ankur Patodia. Besides they have pledged their 10% each equity shares in the Company aggregating 13,50,693 Equity shares i.e, 30% of the total equity share holding of the Company in favour of lead bank M/s. Central Bank of India.
- ii Non-fund based limits sanctioned by the bankers are secured by extension of first charge on the current assets of the Company and further secured by first charge on the immovable properties of the company, and further secured by personal guarantee of Shri B.K.Patodia, Shri Umang Patodia and Shri Ankur Patodia. Besides they have pledged their 10% each equity shares in the Company aggregating 13,50,693 Equity shares i.e, 30% of the total equity share holding of the Company in favour of lead bank M/s. Central Bank of India. Total amount outstanding at the end of the year is Rs 1368.00 lacs (Previous year Rs.1468.00 lacs).

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
7 Trade payables		
i total outstanding dues of micro, small and medium enterprises	1,284.20	52.42
ii total outstanding dues of creditors other than micro medium and small enterprises.	1,136.40	2,223.80
Total	2,420.60	2,276.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Particulars		Outstanding for following periods from due date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i	MSME	1,284.20				1,284.20
ii	Others	935.05	30.34	1.64	169.37	1,136.40
i	MSME (Previous Year)	52.42				52.42
ii	Others (Previous Year)	2159.63	40.96	6.05	17.16	2,223.80

* Also refer point No.35 in Additional information to the financial statements

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
8 Other current liabilities		
Interest accrued on unsecured loan	20.98	143.12
Advance from customers	179.16	178.25
Statutory and Other dues payable	16.92	16.57
Expenses payable	1259.49	873.33
Total	<u>1476.55</u>	<u>1211.27</u>
9 Short-term provisions		
Provision for current tax (Net of Advance Tax and TDS)	234.07	173.76
Provision for proposed preference share dividend	0.04	-
Total	<u>234.11</u>	<u>173.76</u>
10 Property, Plant And Equipment And Intangible Assets		

(₹ in lacs)

Description	Gross Block				As at 31.03.2024	Depreciation/Amortisation/				Net Block		
	As at 01.04.2023	Addition	Adjustments	Deletion		As at 01.04.2023	For the Year	Adjustments	On Deletion	As at 31.03.2024	As at 31.03.2023	As at 31.03.2023
A Property, plant and equipment												
Land (Freehold)	122.75	-			122.75						122.75	122.75
Building	1,933.95	5.81			1,939.76	1,084.99	51.58			1,136.57	803.19	848.96
Plant and Equipment	9,262.38	303.72		-	9,566.10	5,705.73	351.31			6,057.04	3,509.06	3,556.65
Roof Top Solar Plant	-	932.28			932.28		0.06			0.06	932.22	
Office Equipment	107.44	4.94			112.38	100.49	2.92			103.41	8.97	6.95
Furniture and Fixtures	60.58	1.44		-	62.02	57.44	1.37			58.81	3.21	3.14
Vehicles	115.17	-			115.17	107.44	1.94			109.38	5.79	7.73
Total A	11,602.27	1,248.19		-	12,850.46	7,056.09	409.18			7,465.27	5,385.19	4,546.18
Previous year end (i)	11,522.73	669.06		589.52	11,602.27	7,105.34	383.57		432.82	7,056.09	4,546.18	4,417.39
B Intangible assets												
Computer Software	104.10				104.10	100.59	3.51			104.10	-	3.51
Total B	104.10				104.10	100.59	3.51			104.10	-	3.51
Previous year end (iii)	104.10				104.10	92.06	8.53			100.59	3.51	12.04
Total A+B	11,706.37	1,248.18		-	12,946.84	7,156.68	412.69		-	7,569.38	5,385.19	4,549.69
Previous year end (i) to (iii)	11,626.83	669.06		589.52	11,706.37	7,197.40	392.10		432.82	7,156.68	4,549.69	4,429.43
C Capital Work -in Progress												
Less than one year	-	1,152.99		(1,136.97)	16.02						16.02	-
Previous year end	1.26			(1.26)	-						-	1.26

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
11 Non-current investments		
Long-term investments - At cost		
In Equity instruments - Non -Trade (unquoted)		
6,35,619 Equity shares(Previous Year 4,75,619) of Rs 10 each in M/s Gamma Green Power Private Limited	67.43	63.56
4,50,000 Equity shares(Previous Year Nil) of Rs 10 each in M/s Velan Infra Projects Private Limited.	45.00	-
6,00,000 Equity shares(Previous Year Nil) of Rs 10 each in M/s Bijlee Kandasamy Private Limited.	60.00	-
In Government Securities		
Non-Trade (unquoted)	0.36	0.36
National Savings Certificates (Lodged with statutory authorities)		
Total	172.79	63.92
12 Long-term loans and advances		
Unsecured and considered good		
Minimum Alternate Tax credit entitlement	183.61	384.31
Total	183.61	384.31
13 Other non-current assets		
Security Deposits	361.71	288.04
Total	361.71	288.04
14 Inventories		
Stores, spares and packing materials	18.65	13.85
Stock-in-trade		
Raw materials	1,113.98	1,989.94
Goods-in-process	460.90	525.15
Finished goods	1,325.94	1809.36
Waste stock	11.52	40.02
Total	2,930.99	4,378.32
15 Trade receivables		
<i>Unsecured, considered good unless otherwise stated</i>		
Doubtful debts	26.55	
Less: Provision for Doubtful debts	26.55	
	-	
Undisputed Trade Receivables	5,333.11	2,764.20
Total	5,333.11	2,764.20

	Particulars	Outstanding for following periods from due date of Payment					Total
		Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
i	Undisputed Trade Receivables -considered good	5,321.14	10.43	1.54	-	-	5333.11
	Previous Year						
i	Undisputed Trade Receivables -considered good	2,742.46	2.54	-	0.54	18.66	2764.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

	As at 31.03.2024 (₹ in lacs)	As at 31.03.2023 (₹ in lacs)
16 Cash and bank balances		
Cash and cash equivalents		
Cash in Hand	3.14	1.03
Balances with Banks in Current Accounts	40.48	500.57
Other bank balances		
Margin Money and other lien Deposits	427.72	282.93
Total	471.34	784.53
17 Short-term loans and advances		
Unsecured and considered good		
Prepaid expenses	55.75	52.82
Other advances	15.15	5.11
Balances with Statutory Authorities	792.22	369.42
Total	863.12	427.35
18 Other current assets		
Interest accrued on deposits	7.42	2.18
Interest subvention receivable	1.99	18.26
Export Incentives	28.37	20.52
Total	37.78	40.96
	2023-2024 (₹ in lacs)	2022-2023 (₹ in lacs)
19 Revenue from operations		
(A) Sale of Products (Net of Tax)		
Finished Goods :		
Exports	19,972.68	18,628.91
Local	11,036.24	11,239.88
Traded Goods :		
Exports	4,390.04	1,767.10
Waste Sales :		
Local	1,527.68	1,810.16
Net Sales	36,926.64	33,446.05
Total (A)		
(B) Other Operating Revenues		
Export Incentives	356.41	790.92
Job Work Charges	729.75	156.23
Total (B)	1,086.16	947.15
Total (A) + (B)	38,012.80	34,393.20
20 Other income		
Interest income	19.22	10.17
Sale of Scrap	34.29	4.83
Lease Rent	2.37	
Interest on Income Tax Refund	1.22	0.37
Total	57.10	15.37

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

	2023-2024 (₹ in lacs)	2022-2023 (₹ in lacs)
21 Cost of materials consumed		
a Raw materials Consumed		
Opening inventory	1,989.94	1,805.44
Add: Purchases during the year	21,683.83	26,469.24
Less: Sale of cotton	526.65	3,493.56
Less: Closing inventory	1,113.98	1,989.94
Sub Total	22,033.14	22,791.18
b Packing Material Consumed		
Opening inventory	11.05	8.89
Add: Purchases during the year	294.61	306.90
Less: Closing inventory	13.97	11.05
Sub Total	291.69	304.74
Total (A) + (B)	22,324.83	23,095.92
22 Changes in inventory of finished goods, goods in process and waste		
a Stock at the beginning of the year:		
Finished goods	1,809.36	1,692.89
Goods-in-process	525.15	975.01
Waste	40.02	61.36
Sub Total	2374.53	2,729.26
b Less : Stock at the end of the year:		
Finished goods	1,325.94	1,809.36
Goods-in-process	460.90	525.15
Waste	11.52	40.02
Sub Total	1,798.36	2,374.53
Decrease /(Increase) in Stocks (a-b)	576.17	354.73
23 Employees benefits expenses		
Salaries, Wages and Bonus	1,449.46	1,330.88
Contribution to Provident and Other Funds	96.66	98.03
Welfare Expenses	191.00	160.01
Total	1,737.12	1,588.92
24 Finance costs		
Interest expenses	508.03	667.35
Other Borrowing Costs	138.23	192.55
Total	646.26	859.90
25 Other expenses		
Power and Fuel	2,102.56	2,093.09
Repairs & Maintenance - Building	12.50	15.74
Repairs & Maintenance - Plant and Equipments	532.94	339.47
Consumption - Stores and Spares	34.89	34.38
Processing Charges	1,749.79	1,408.47
Rent	56.35	34.73
Insurance	77.64	68.37
Rates and Taxes	39.65	35.85

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

	2023-2024 (₹ in lacs)	2022-2023 (₹ in lacs)
Commission and Brokerage	604.48	392.33
Other Selling expenses	670.95	703.54
Payment to Auditors:		
Audit Fee	1.00	1.00
Tax Audit Fee	0.25	0.25
Loss /(Profit) on Sale/transfer of Property, Plant and Equipment	-	(18.08)
Net loss on foreign currency transaction and translation	(48.26)	52.77
Corporate Social Responsibility	23.87	5.95
Miscellaneous Expenses	639.20	390.82
Total	6,497.81	5,558.68

26 Earnings Per Share (EPS)

Net profit /(Loss) as per statement of profit and loss	1329.10	977.81
Weighted average no of Equity Shares (Face value of Rs.10 each)	4502310	4502310
Basic and diluted Earning Per Share-in Rs.	29.52	21.72

27 Employees Benefits

Particulars		Gratuity (Funded) 2023-2024 (₹ in lacs)	Gratuity (Funded) 2022-2023 (₹ in lacs)
A	Expense recognised during the year		
1	Current Service Cost	10.83	7.76
2	Interest cost	10.16	7.09
3	Expected return on plan assets	(3.56)	(4.26)
4	Actuarial Loss/(Gain) during the year	(36.78)	38.97
5	Expenses recognised in Profit & Loss account	(19.35)	49.56
B	Actual return on Plan assets		
1	Expected return on plan assets	3.56	4.26
2	Actuarial Gain/(Loss) on Plan assets	-	-
3	Actual return on plan assets	3.56	4.26
C	Net Asset/(Liability) recognised in the Balance Sheet		
1	Present value of the obligation at the year end	108.35	140.20
2	Fair Value of plan assets at the year end	50.06	55.80
3	Funded status - surplus/(deficit)	(58.29)	(84.40)
4	Unrecognised past service cost	-	-
5	Net Asset/(Liability) recognised in the Balance Sheet	(58.29)	(84.40)
D	Change in Present value of the Obligation during the year		
1	Present value of the obligation as at the beginning of year	140.21	100.69
2	Current service cost	10.83	7.76
3	Interest cost	10.16	7.09
4	Benefits paid	(16.07)	(14.31)
5	Actuarial loss/(gain) on obligation	(36.78)	38.97
6	Present value of obligation at the year end	108.35	140.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Particulars		Gratuity (Funded) 2023-2024 (₹ in lacs)	Gratuity (Funded) 2022-2023 (₹ in lacs)
E Change in Assets during the year			
1	Fair Value of plan assets at the beginning of the year	55.80	65.26
2	Expected return on plan assets	3.56	4.26
3	Contributions made	6.76	0.59
4	Benefits paid	(16.07)	(14.31)
5	Actuarial Loss/(gain) on plan assets	-	-
6	Fair value of plan assets at the year end	50.06	55.80
F Actuarial Assumptions			
1	Discount rate	7.25%	7.00%
2	Salary escalation	3.00%	3.00%

28 Related party disclosure

Disclosure in respect of Related Parties pursuant to Accounting Standard -18

(a) List of Related Parties (As identified by the Management)

Related parties with whom company entered in to transactions during the year

i Associates:

- 1 GTN Textiles Limited
- 2 Patspin India Limited

ii Key Management Personnel:

- 1 Shri Ankur Patodia -Managing Director

iii Enterprises/Entities having "Common Key Management Personnel":

- 1 Umang Finance Private Limited
- 2 Beekaypee Credit Private Limited
- 3 Patodia Exports and investments Private Limited

iv Relatives of Key Management Personnel:

- 1 Shri. B.K. Patodia - Father of Sri Ankur Patodia
- 2 B K Patodia HUF
- 3 Smt. Swati Patodia-Wife of Sri Ankur patodia
- 4 Shri. Umang Patodia - Brother of Sri Ankur patodia
- 5 Smt. Mala Patodia-Sister in law of Sri Ankur Patodia

(b) During the year following transactions were carried out with related parties in the ordinary course of business and at arms length:

Nature of Transactions / Balances	Associates		Key Management Personnel		Enterprises/Relatives of Key management Personnel	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Sale of goods	2.38	248.15				
Purchase of goods and services	190.90	292.98			218.96	152.34
Rendering services	81.31	131.19				
Receiving services	986.16	713.19				2.25
Remuneration paid			36.00	22.50	8.35	8.35
Sitting fees					0.04	0.36

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Nature of Transactions / Balances	Associates		Key Management Personnel		Enterprises/Relatives of Key management Personnel	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Interest paid			18.59	17.50		32.42
Deposits			200.00	0.00		
Balances as at year end:						
Amount (Receivable)/ Payable	(1210.95)	(485.26)			222.20	118.75
Loan/Deposit Outstanding			450.00	250.00		
Interest payable			0.98	30.38	6.30	80.39
Guarantee Provided for	-	-				

(c) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties

		Transactions	
		2023-2024 (₹ in lakhs)	2022-2023 (₹ in lakhs)
(i)	Sale of goods		
	a) Cotton		
	i) GTN Textiles Limited	-	29.51
	ii) Patspin India Limited	-	210.85
	b) Cotton Yarn		
	i) Patspin India Limited	0.52	-
	c) Store Items		
	i) Patspin India Limited	1.86	1.70
	d) Waste		
	i) Patspin India Limited	-	6.10
(ii)	Purchase of goods		
	a) Cotton		
	i) Patspin India Limited	63.94	-
	b) Cotton Yarn		
	i) GTN Textiles Limited	-	170.76
	ii) Patspin India Limited	117.87	105.14
	iii) Umang Finance Private Limited	123.42	95.93
	iv) Beekeypee Credit Private Limited	95.54	56.41
(iii)	Purchase of waste		
	i) Patspin India Limited	5.75	-
	ii) GTN Textiles Limited	-	2.61
(iv)	Purchase of Packing Material		
	i) Patspin India Limited	3.04	
	ii) GTN Textiles Limited	-	11.75
(v)	Purchase of Machinery		
	i) Patspin India Limited	0.30	
(vi)	Store items		
	i) Patspin India Limited	-	2.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

		Transactions	
		2023-2024	2022-2023
		(₹ in lakhs)	(₹ in lakhs)
(vii)	Rendering of services		
	a) Rent		
	i) Patspin India Limited	2.55	
	a) Processing Charges		
	i) GTN Textiles Limited		13.14
	ii) Patspin India Limited	78.76	118.05
(viii)	Receiving of services		
	a) Rent		
	i) GTN Textiles Limited	-	0.60
	ii) Patspin India Limited	7.64	0.54
	iii) Mala Patodia	-	2.25
	b) Processing Charges		
	i) GTN Textiles Limited	-	-
	ii) Patspin India Limited	978.52	712.05
(viii)	Remuneration paid		
	Sri. Ankur Patodia (Managing Director)	36.00	22.50
	Smt. Mala Patodia	4.18	4.18
	Smt. Swati Patodia	4.18	4.18
(ix)	Sitting Fees		
	Sri. B.K.Patodia	0.02	0.16
	Sri. Umang Patodia	0.02	0.20
(x)	Unsecured loan for issue of equity shares		
	Shri. Ankur Patodia	200.00	
(xi)	Interest On Fixed Deposit		
	Umang Finance Private Limited	-	2.62
	Patodia Exports and investments Private Limited	-	5.38
	Shri. Ankur Patodia	18.59	17.50
	Shri. B.K. Patodia	-	14.00
	B.K. Patodia HUF	-	8.25
	Beekaypee Credit Private Limited	-	2.17

Notes:

- i) The related parties have been identified by the Management and relied upon by the auditors.
- ii) No amount has been provided for / written back, pertaining to related parties.

29 The accounts of Trade receivables, Trade Payables, Loans and Advances and Banks are however, subject to formal confirmations / reconciliation and consequent adjustments, if any. The management does not expect any material difference affecting the current period's financial statements on such reconciliation / adjustments.

30 In term of Accounting Standard -17, the company operates materially only in one business segment viz., Textile industry and have its production facilities and all other assets located within India. Sales to external customers comprise outside India sales of Rs 24362.72 Lakhs (Previous year Rs.20396.00 lakhs) and within India sale of Rs.12563.92 lakhs (Previous year Rs.13050.04 Lakhs)

31 Lease: Disclosure as required in AS-19.

Operational lease:

The lease expenses for cancellable operating leases during the year ended 31st March, 2024 is Rs.56.35 lakhs (Previous year Rs.34.73 lakhs). The Company's significant leasing arrangements in respect of operating leases for office premises, which includes cancellable leases generally range between 11 months to 60 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under note 24 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

32 Contingent liability and commitments :

a. Commitments

- 1 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (Previous year Rs. Nil).
- 2 Outstanding Export Forward Contracts (not in the nature of derivatives) as on 31 st March '24 which were entered into for hedging exchange risk arising from foreign currency fluctuations related to highly probable future transactions amount to US\$ 62.01 lakhs (Previous Year US\$ 26.92 lakhs) at average Exchange Rate of Rs 83.30 /US\$ (Previous year 82.67/US\$) and Euro 25.00 lakh (Previous year 44.64 Lakh) at average exchange rate Rs 93.29 /Euro (Previous year Rs 89.93 /Euro). The period covered under these contracts spreads over April 2024 to December 2024 (Previous Year April 2023 to November 2023). The average Exchange Rate applicable for the above period based on exchange rate on 31.03.2024 works out to Rs 83.04 /US\$ and Rs 91.01/Euro (Previous year Rs 82.46/US\$ Euro Rs 90.89), resulting in notional gain of Rs 72.68 lakhs (Previous year notional loss of Rs 37.20 lakhs)
- 3 Outstanding Import Forward Contracts (not in the nature of derivatives) as on 31st March '24 which were entered into for hedging exchange risk arising from foreign currency fluctuations related to highly probable future transactions amounting to US\$ 6.29 lakhs (Previous year US\$ 30.39 lakhs) at average exchange rate of Rs.82.91 /US\$. (Previous year US\$ 82.26) The period covered under these contracts spreads over April 2024. (Previous year April 2023) The average Exchange rate applicable for the above period based on exchange rate as on 31.03.2024 works out to Rs 82.33/US\$, (Previous year Rs 82.11/US \$) resulting in notional loss of Rs 3.65 lakhs (Previous year notional loss of Rs 1.91 lakhs)

b. Contingent liabilities

- 1 Contingent Liabilities not provided in respect of :
Disputed amounts of Taxes and duties and other claims not acknowledged as debts:
 - a) TANGEDCO has been charging electricity tax @ 5% on Maximum Demand Charge through their monthly bills. This was challenged by Industry Association (SIMA & TASMA) in Hon'ble Supreme Court and Hon'ble Supreme Court has passed intrim order on 31.08.2012 not to disconnect power supply till appeal is decided. Liability towards the same Rs 64.88 Lakhs (Previous Year Rs 53.36 lakhs)
 - b) TANGEDCO has denied from August 2012 deemed demand benefit available for use of self generated thermal power received through group captive arrangement. This was challenged in Hon'ble Chennai High Court and the Hon'ble Hight court has given injuction with a condition to TANGEDCO to provide 50% benefit till the matter is decided. Liabilty towards the same was Rs 135.35 lakhs .(Previous year Rs 135.35 lakhs)

33 Particulars of un hedged Foreign Currency exposures as at 31 st March 2024 are as given below:

Particulars	Currency	As at 31.03.2024			As at 31.03.2023		
		Amount in lacs USD	Exchange Rate ₹	Amount (₹ in lacs)	Amount in lacs USD	Exchange Rate ₹	Amount (₹ in lacs)
Accounts payable	USD	4.19	82.33	344.96	6.17	82.11	507.02

34 Net Loss/Gain on Foreign currency transaction and translation

The amount of net gain on foreign currency transaction and translation included in the other expenses amounts to Rs. 48.26 lakhs (Previous year Rs.52.77 lakhs loss). This includes profit on account of export Rs.56.36 lakhs (Previous year Rs. 74.44 lakhs loss). loss on account of Import Rs. 8.10 lakhs (Previous year Rs. 21.67 lakhs gain).

35 Details of dues to Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Act, 2006

Particulars	As at 31.03.2024	As at 31.03.2023
	₹ in lacs	₹ in lacs
a. The principal amount due thereon remaining unpaid as on the Balance sheet date	1,284.20	52.42
b. Interest paid along with the amount of the payment during the year	Rs .Nil	Rs .Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Particulars	As at 31.03.2024	As at 31.03.2023
	₹ in lacs	₹ in lacs
c. Interest due and payable but without adding the interest specified in the abovementioned act.	Rs .Nil	Rs .Nil
d. Interest accrued and remaining unpaid at the end of the year.	Rs .Nil	Rs .Nil
e. Amount of interest remaining due and payable in subsequent years, and such interest actually paid to and deductible expenditure under section 23 of the said act.	Rs .Nil	Rs .Nil

36 Value of imports on CIF basis

Particulars	31.03.2024 (₹ in lacs)	31.03.2023 (₹ in lacs)
Raw Materials - Cotton	8,862.61	8,059.49
Stores	41.35	38.22
Total	8,903.96	8,097.71

37 Expenditure in foreign currency

Particulars	31.03.2024 (₹ in lacs)	31.03.2023 (₹ in lacs)
Agents Commission	349.21	353.16
Others	50.16	129.35
Total	399.37	482.51

38 Imported and Indigenous Raw Materials, Traded goods, Packing materials, Stores and spares

Particulars	2023-2024		2022-2023	
	(₹ in lacs)	Percentage	(₹ in lacs)	Percentage
(a) Raw Materials				
Cotton Imported	10,929.13	49.60%	12,955.16	56.84%
Cotton Indigenous	2,845.07	12.91%	3,295.86	14.46%
Yarn Indigenous	8,258.94	37.48%	6,540.17	28.70%
	<u>22,033.14</u>	<u>100.00%</u>	<u>22,791.19</u>	<u>100.00%</u>
(b) Traded Goods (Yarn -Indigenous)	3,982.98		1,147.77	
(c) Packing Materials (Indigenous)	291.69		304.74	
(d) Stores and Spares				
Imported	36.67	76.56%	35.42	79.25%
Indigenous *	11.23	23.44%	9.28	20.75%
	<u>47.90</u>	<u>100.00%</u>	<u>44.70</u>	<u>100.00%</u>
Total	26,355.71		24,288.40	

*Note Includes HSD Value of Rs 13.01 lacs (Previous year Rs 10.32 lacs) Charged to Power & Fuel

39 Earnings in foreign currency

Particulars	2023-2024 (₹ in lacs)	2022-2023 (₹ in lacs)
FOB Value of Exports (Rs in lacs)	24,157.01	20,010.36

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

40 Ratios

	2023-2024		2022-2023		% Change	Remarks
	Rs Lakhs	Ratio	Rs Lakhs	Ratio		
						Refer Note No 1
a Current Assets	9,636.34		8,435.66			
b Current Liabilities	6,829.55		6,877.39			
Current Ratio (a/b)		1.41		1.23	15%	
c Total Debt	7,916.47		7,243.55			
d Shareholders Equity.	7,036.96		5,707.86			
Debt-Equity Ratio (c/d)		1.12		1.27	-11%	
e Profit/(Loss) before tax	1,892.04		1,410.55			
f Finance Cost	25.51		64.08			
g Depreciation	412.69		392.10			
h Net operating Income (e+f+g)	2,330.24		1,866.73			
i Principal Repayment	373.39		475.41			
j Interest Payments	25.51		64.08			
k Total Debt service (i+j)	398.90		539.49			
Debt Service Coverage Ratio (h/k)		5.84		3.46	69%	
i Profit/(Loss) after tax	1,329.10		977.81			
m Average Shareholders Equity	6,372.41		5,018.96			
Return on Equity Ratio (l/m)		0.21		0.19	7%	
n Sales	38,069.90		34,408.57			
o Average Inventory	3654.66		4461.19			
Inventory Turnover Ratio(n/o)		10.42		7.71	35%	
p Sales	38,069.90		34,408.57			
q Average Trade Receivable	4,048.65		2,399.93			
Trade Receivable Turnover Ratio (p/q)		9.40		14.34	-34%	
r Purchases	25,961.43		27,923.91			
s Average Trade Payables	2,348.41		2,813.46			
Trade Payable Turnover Ratio (r/s)		11.05		9.93	0.11	
t Sales	38,069.90		34,408.57			
u Current assets	9,636.34		8,435.66			
v Current liabilities	6,829.55		6,877.39			
w Net Assets (u-v)	2,806.80		1,558.27			
Net Capital Turnover Ratio (t/w)		13.56		22.08	-39%	
x Profit/(Loss) after tax	1,329.10		977.81			
y Sales	38,069.90		34,408.57			
Net Profit Ratio (x/y)		0.03		0.03	23%	
z Profit/(Loss) before tax	1,892.04		1,410.55			
aa Finance Cost	646.26		859.90			
ab Earning before Interest and Tax (z+aa)	2,538.30		2,270.45			
ac Tangible Net Worth	7,036.96		5,707.86			
ad Total Debt	7,916.47		7,243.55			
ae Deferred tax liability	800.37		770.21			
af Capital employed (ac+ad+ae)	15,753.80		13,721.62			
Return on Capital employed (aa/ag)		0.16		0.17	-3%	
ag Return on Investment *						

*Investment made in M/s Gamma Green Power Private Limited, M/s Velan Infra Projects Pvt Ltd. and M/s Bijlee Kandasamy Pvt Ltd. as a Captive Power User. Due to this Investment, The Company has purchased 53,40,971 Units of electricity at a cost of Rs 6.52 Per unit as against a unit cost of Rs 7.72 per unit from TNEB.

Note No 1

The financials and operational ratios have improved during the current financial year mainly due to company achieving improved performance over the previous year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

41 Other Statutory Information

- a. All title deeds of immovable property are held in the name of the company and the company does not have any immovable property without Title in its name.
- b. During the year, the company has not revalued any of its property, plant and equipment.
- c. No loan or advances in the nature of loan has been advanced/ granted to any of the Promoters/ Directors/ Key Managerial Personnel (KMP).
- d. Since there is no addition / deletion in Capital Work in Progress (CWIP) and Intangible assets during the year and hence disclosures regarding these items were not made.
- e. The Company does not hold any Benami Property.
- f. The quarterly returns filed with the bank disclosing the Current Assets tally with Book of Accounts
- g. No Bank(s), Financial Institution(s) or any lender has declared the Company as willful defaulter.
- h. As per available information, the Company does not have any transactions with the struck off companies.
- i. All the charges and satisfaction of charges if any have been registered with the Registrar of Companies within the stipulated time.
- j. Disclosure regarding compliance with number of layers of companies and compliance with approved scheme(s) of arrangement are not applicable for the year under review.
- k. The Company has not advanced or loaned or invested funds either out of borrowed funds or share premium or any other source or kind of funds to any other person(s) or entity (ies) including foreign entities during the year under review. Further, the company has not received any fund from any persons or entity (ies) including foreign entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities on behalf of the Funding Party during the year under review.
- l. Since there was no unrecorded transactions in the books of accounts during the year, the requirement of its disclosure does not arise.
- m. During the financial year 2023-2024 Company was spend an amount of Rs 23.87 lac towards CRS expenditure under section 135 of the Companies Act 2013.
- n. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

42 Previous year's figures

The Company has reclassified/regrouped previous year's figures to conform to this year's classification.

Signature to Note 1 to 42

As per my report of even date attached

For and on behalf of the Board of Directors

R.MUGUNTHAN
Chartered Accountant
M. No.021397

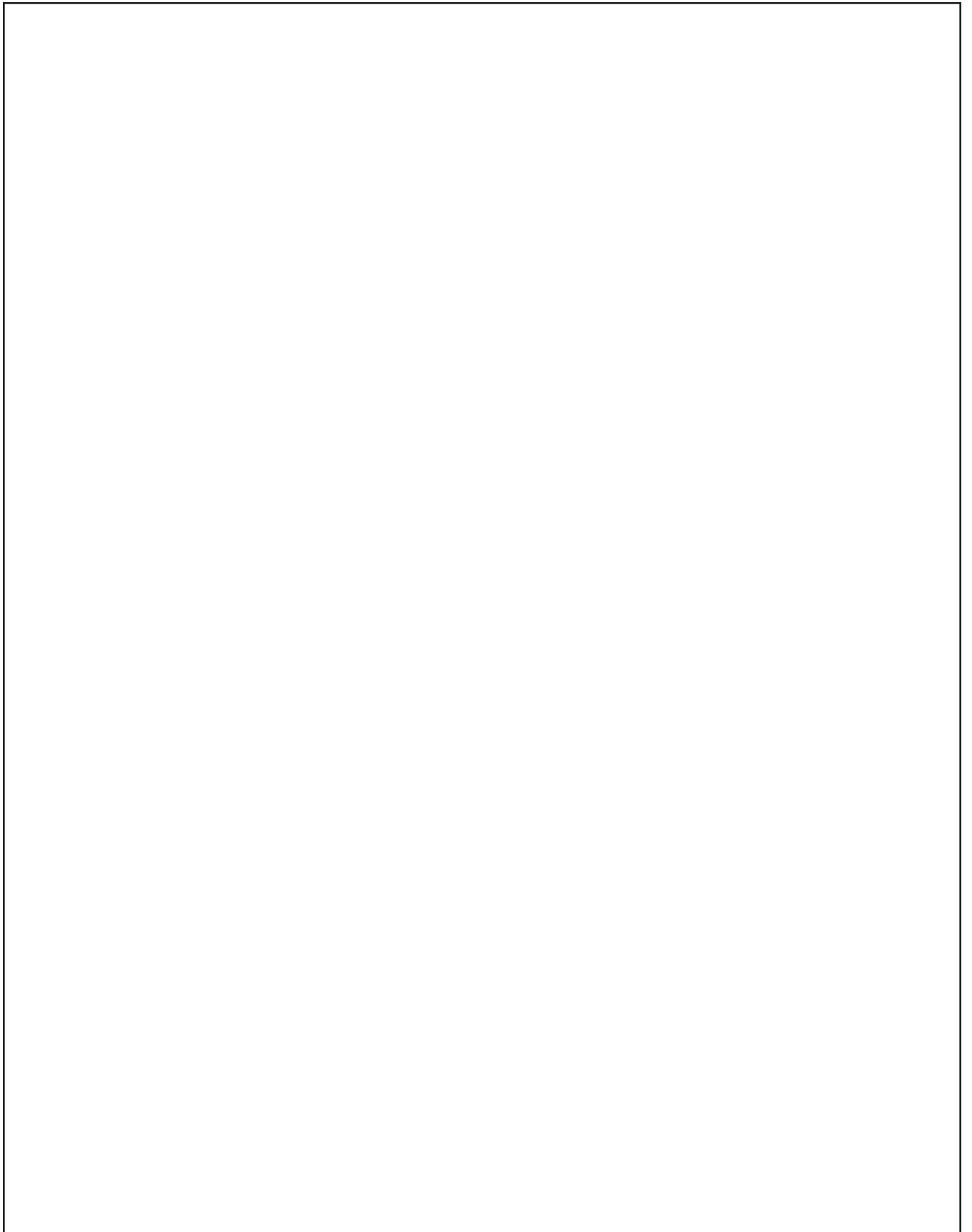
P C SEKSARIA
Director
DIN No 00003611

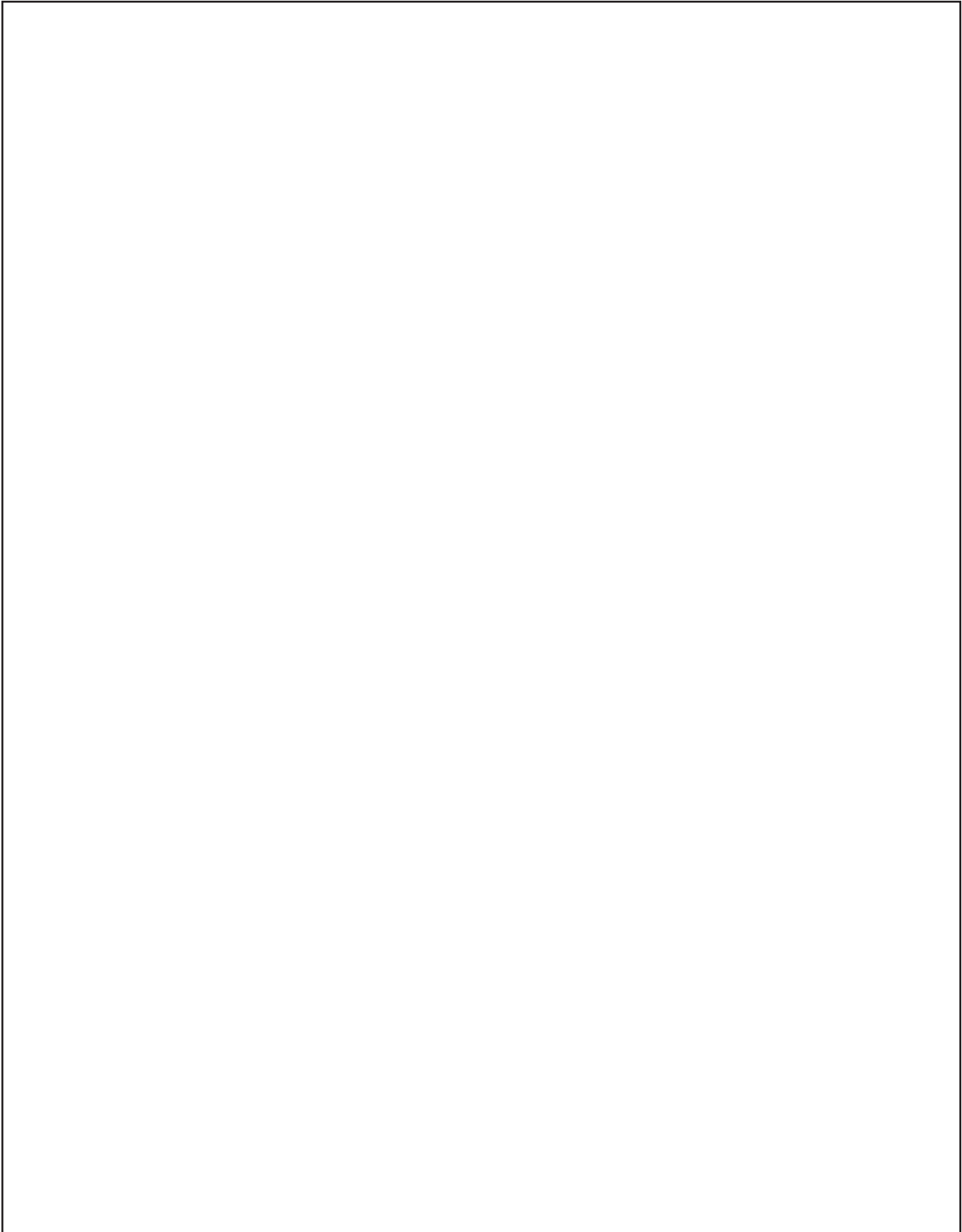
ANKUR PATODIA
Managing Director
DIN No. 00003567

Place : Kochi
Date :18.06.2024

Place : Mumbai
Date : 18.06.2024

Place : Mumbai
Date : 18.06.2024







Registered Office : 61/461, 5th Floor, Palal Towers, M. G. Road, Ravipuram, Ernakalum 682 016

An ISO 9001 : 2008/14001:2004 Certified Company
www.gtenterprises.com