LODHA
& CO LLP
Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
Telephone : 91 11 23710176 / 23710177 / 23364671 / 2414
E-mail : delhi@lodhaco.com

INDEPENDENT AUDITOR'S REPORT

To the Members of The Sirpur Paper Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Sirpur Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its Profit (including Other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

LODHA & CO LLP
New Delhi
Chartered Accountants

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position/state of affairs, financial performance, Other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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, 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.
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

LODHA & CO LLP New Delhi Chartered Accountants

auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2 (h)(vi) below on reporting under Rule 11(g) of The Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the rules.

LODHA & CO LLP
New Delhi
Chartered Accountants

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 36(a) to the financial statements;

ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on 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 (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The management has represented that to the best of its knowledge and belief , no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.

v. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.

vi. Based on our examination which included test checks and written representations received from the management, the Company has used an accounting software for maintaining its books of accounts during the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and has operated throughout the year except (a) the audit trail feature was not enabled for certain relevant tables at the application level and (b) change log is not enabled for certain information during the year. Further, during the course of audit we did not came across any instance of the audit trail feature being tempered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

LODHA & CO LLP New Delhi Chartered Accountants

i) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

For LODHA & CO LLP
Chartered Accountants
FRN: 301051E/ E300284

LODHA & CO LLP New Delhi Chartered Accountants

(Shyamal Kumar)
Partner
Membership No. 509325
UDIN: 25509325BMINTT4433

Place: New Delhi
Date: 9th May 2025

ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE SIRPUR PAPER MILLS LIMITED FOR THE YEAR ENDED 31st MARCH , 2025.

i (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its Property, Plant and Equipment. As per programme certain Property, Plant and Equipment have been verified during the year and based on information and records provided no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment and Capital work-in progress are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As per the physical verification program, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account have been properly adjusted.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns / statements filed by the Company with such banks or financial institutions are generally in agreement with the unaudited books of account of the Company of the respective quarters.

iii. (a) The Company has granted a loan to an entity during the year and has not made any investment, not provided any guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year in respect of which details are given below:

Name of the Company	**Amount of loan granted during the year**	**Loan balance outstanding as on 31.03.2025**
Terrestrial Foods Processors Pvt. Ltd.	Rs. 700 Lakhs	Rs. 700 Lakhs

LODHA & CO LLP New Delhi Chartered Accountants

(b) The terms and conditions of the grant of the above-mentioned loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest has been regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) According to the information and explanation given to us and based on the audit procedures performed, the Company has not granted any loans or advance in the nature of loans that had fallen due during the year and were subsequently renewed by extending the repayment schedule. Hence, reporting under clause 3(iii)(e) is not applicable.

(f) According to the information and explanation given to us and based on the audit procedures performed, the Company has not granted any loans or advance either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities to the parties covered under the provisions of sections 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided to the parties covered under section 186 of the Act.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits from public. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products and services to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the records of the Company, the Company is generally been regular in depositing undisputed statutory dues including goods and services 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 with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they become payable, except Rs. 0.76 Lacs of provident fund dues for the period from April 2022 to December 2023 which could not deposited due to non-completion of KYC of Individual employees at PF portal and discrepancies in details of Aadhar card of respective employees.

(b) According to the information and explanation given to us there are no disputed statutory dues as referred to in sub-clause (a) above which have remained unpaid as on 31st March 2025.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

LODHA & CO LLP
New Delhi
Chartered Accountants

ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.

xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, there are two CIC within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).

LODHA & CO LLP New Delhi Chartered Accountants

xvii. The company has not incurred cash losses during the period covered by the audit report and in the immediately preceding financial year.

xviii. There was no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company was required to spend Rs. 460.00 Lakhs towards Corporate Social Responsibility (CSR) during the current year 2024-25 as per section 135 of the Act. The company has spent Rs. 273.86 Lakhs and there is an unspent CSR amounting to Rs. 186.14 Lakhs which the company has transferred to a fund specified in Schedule VII to the Companies Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

xxi. The Company is not required to prepare Consolidated financial statements hence reporting under this clause is not required.

For **LODHA & CO LLP**
Chartered Accountants
FRN: 301051E/ E300284

LODHA & CO LLP
New Delhi
Chartered Accountants

(Shyamal Kumar)
Partner
Membership No. 509325
UDIN: 25509325BMINTT4433

Place: New Delhi
Date: 9th May 2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE SIRPUR PAPER MILLS LIMITED FOR THE YEAR ENDED 31st MARCH , 2025
(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of The Sirpur Paper Mills Limited ("the Company") as of 31st March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

LODHA & CO LLP
New Delhi
Chartered Accountants

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & CO LLP
Chartered Accountants
FRN: 301051E/ E300284

LODHA & CO LLP New Delhi Chartered Accountants

(Shyamal Kumar)
Partner
Membership No.509325
UDIN: 25509325BMINTT4433

Place: New Delhi
Dated: 9th May 2025

THE SIRPUR PAPER MILLS LIMITED

BALANCE SHEET AS AT MARCH 31, 2025

Rs. in Lacs

	Note	March 31, 2025	March 31, 2024
ASSETS			
Non-Current Assets			
Property,Plant and Equipment	2	77,785.70	72,128.72
Capital Work-in-Progress	3(b)	1,817.31	1,192.71
Other Intangible Assets	3(a)	39.64	69.97
Financial Assets			
Investments	4	5,680.69	6,734.84
Loans	5	700.00	-
Other Financial Assets	6	520.55	759.86
Other Non-Current Assets	7	97.20	72.45
		86,641.09	**80,958.55**
Current Assets			
Inventories	8	10,491.55	7,993.05
Financial Assets			
Trade Receivables	9	-	-
Cash and Cash Equivalents	10	63.11	30.79
Bank Balances other than above	11	268.61	260.58
Other Financial Assets	12	23,609.59	26,493.00
Current Tax Assets (Net)	13	-	777.08
Other Current Assets	14	6,369.37	5,595.62
Assets held for Sale	14.1	7.70	7.70
		40,809.93	**41,157.82**
Total Assets		**1,27,451.02**	**1,22,116.37**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	18,200.01	18,200.01
Other Equity	SOCE	52,051.40	48,837.35
		70,251.41	**67,037.36**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	19,193.22	26,205.57
Lease Liabilities	16.1	4,626.00	-
Provisions	17	111.87	110.61
Deferred Tax Liabilities (Net)	18	9,794.61	9,432.33
Other Non-Current Liabilities	19	3,783.33	3,983.33
		37,509.03	**39,731.84**
Current Liabilities			
Financial Liabilities			
Borrowings	20	7,479.15	2,661.09
Lease Liabilities	16.1	162.99	-
Trade Payables	21		
Micro & Small Enterprises		83.91	87.71
Others		4,518.77	3,564.43
Other Financial Liabilities	22	3,887.13	3,669.58
Other Current Liabilities	23	3,429.35	5,338.04
Provisions	24	35.67	26.32
Current Tax Liabilities	25	93.61	-
		19,690.58	**15,347.17**
Total Equity and Liabilities		**1,27,451.02**	**1,22,116.37**
		-	-
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

for LODHA & CO LLP
Chartered Accountants
Firm's Registration Number 301051E/E300284

Shyamal Kumar
Partner
Membership No. 509325
Place : New Delhi/ Sirpur
Dated : 9th May 2025

For and on behalf of the Board of Directors

Pavan Kumar Suri
Director
DIN: 02189913

A S Mehta
Director
DIN: 00030694

M. Anil Kumar

Anil Kumar Majety
Chief Financial Officer

Rajesh Tripathi
Company Secretary

LODHA & CO LLP New Delhi Chartered Accountants

THE SIRPUR PAPER MILLS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025

Rs. in Lacs

	Note	2024-25	2023-24
Revenue :			
Sales		88,454.74	97,536.53
Less : Discounts		5,074.36	4,495.93
Net Sales	**26**	**83,380.38**	**93,040.60**
Other Operating Revenue	**27**	76.18	365.28
Revenue from Operations		**83,456.56**	**93,405.88**
Other Income	**28**	673.15	10,579.07
Total Income (I+II)		**84,129.71**	**1,03,984.95**
EXPENSES			
Cost of Materials Consumed	**29**	48,798.43	42,510.30
Changes in Inventories of Finished Goods and Work-in-Progress	**30**	(1,124.62)	(155.38)
Employee Benefits Expense	**31**	6,800.38	6,585.68
Finance Costs	**32**	2,324.41	2,924.51
Depreciation and Amortisation Expenses	**33**	2,912.04	2,689.16
Other Expenses	**34**	18,626.34	19,465.08
Total Expenses		**78,336.98**	**74,019.35**
Profit/(Loss) Before Interest, Depreciation & Tax (PBIDT)		**11,029.18**	**35,579.27**
Profit/(Loss) Before Tax		**5,792.73**	**29,965.60**
Tax Expense			
Current Tax		1,061.99	31.38
Provision / (Credit) for Deferred Tax		538.26	8,525.84
Profit/(Loss) for the Year		**4,192.48**	**21,408.38**
Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
(i) Re-measurement Gain/(Loss) on Defined Benefit Plans		(100.27)	(40.49)
(ii) Tax on (i) above		25.24	10.19
(iii) Equity Instruments through Other Comprehensive Income		(1,054.14)	755.15
(iv) Tax on (iii) above		150.74	(86.39)
Total Other Comprehensive Income for the Year		**3,214.05**	**22,046.84**
Earnings per Equity Shares			
1) Basic (in ₹)		2.30	11.76
2) Diluted (in ₹)		2.30	11.76
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

for LODHA & CO. LLP
Chartered Accountants
Firm's Registration Number 301051E/E300284

Shyamal Kumar
Partner
Membership No. 509325
Place : New Delhi/ Sirpur
Dated : 9th May 2025

LODHA & CO LLP New Delhi Chartered Accountants

For and on behalf of the Board of Directors

Pavan Kumar Suri
Director
DIN: 02189913

A S Mehta
Director
DIN: 00030694

M. Anil Kumar

Anil Kumar Majety
Chief Financial Officer

Rajesh Tripathi
Company Secretary

THE SIRPUR PAPER MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2025

Note- SOCE

(Rs. in Lacs)

Statement of Changes in Equity
A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
18,200.01	-	18,200.01	-	18,200.01

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
18,200.01	-	18,200.01	-	18,200.01

B. Other Equity
(1) Current reporting period

Particulars	Equity component of financial instruments	Reserves and Surplus							
		Capital Reserves #	Securities Premium	Capital Redemption Reserve	Retained Earnings	General Reserve	Re-measurement of the net defined benefit plans	Equity Instruments through OCI	Total
April 1, 2023	12,130.29	15,501.86	7,411.47	70.93	(16,988.90)	8,346.97	317.89	-	26,790.51
Profit for the year					21,408.38				21,408.38
Other Comprehensive Income for the year							(30.30)	668.76	638.46
March 31, 2024	**12,130.29**	**15,501.86**	**7,411.47**	**70.93**	**4,419.48**	**8,346.97**	**287.59**	**668.76**	**48,837.35**
Profit for the year					4,192.48				4,192.48
Other Comprehensive Income for the year							(75.03)	(903.40)	(978.43)
March 31, 2025	**12,130.29**	**15,501.86**	**7,411.47**	**70.93**	**8,611.96**	**8,346.97**	**212.56**	**(234.64)**	**52,051.40**

Includes cancellation of equity shares pursuant to Resolution Plan and net effect of Resolution Plan as approved by the NCLT

Component of equity	Nature and Purpose
Securities Premium	Represents amounts received in excess of face value on issue of equity shares which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.
General Reserve	Represents accumulated profits set apart by way of transfer from current year Profits/or/and Surplus in P/L Statement comprised in Retained Earnings for "other than specified purpose".
Capital Reserve	Represents the amount transferred on cancellation of Equity Shares pursuant to Resolution Plan and effect of implementation of Resolution Plan as approved by NCLT.

The accompanying notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached.

for LODHA & CO LLP
Chartered Accountants
Firm's Registration Number 301051E/E300284

Shyamal Kumar
Partner
Membership No. 509325
Place : New Delhi / Sirpur
Dated : 9th May 2025

LODHA & CO LLP New Delhi Chartered Accountants

For and on behalf of the Board of Directors

Pavan Kumar Suri
Director
DIN: 02189913

A S Mehta
Director
DIN: 00030694

Anil Kumar Majety
Chief Finance Officer

Rajesh Tripathi
Company Secretary

Company Overview, Basis of Preparation & Material Accounting Policies.

I. The Company Overview

Incorporated in 1938, **The Sirpur Paper Mills Ltd** ("SPML") is a Public Limited Company. The registered office of the Company is situated at Sirpur-Kaghaznagar in the district of Komaram Bheem, Asifabad, Telangana State-504296. The Company is one of the largest manufacturers of Writing and Printing and Colour paper in India. The Company has an integrated Pulp and Paper Plant at the place of its registered office i.e. Sirpur-Kaghaznagar in the district of Komaram Bheem, Asifabad, Telangana State- 504296.

The Company over the years has evolved as a reputed Brand with an eight-decade presence in the business. The Company has specialized in production of niche varieties of paper and has a wide range of products spanning almost all segments of paper like writing & printing, packing, paperboard, air mail and cheque paper, with Elemental Chlorine Free (ECF) bleached wood pulping facilities. The mill uses Eucalyptus, Subabul and Casuarina etc. as main raw materials.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting held on **09th May 2025**.

II. Basis of Preparation of Financial Statements

(i) Statement of Compliance:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant provisions of the Companies Act, 2013.

(ii) Basis of Preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 (as amended). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ("the Act").

The financial statements have been prepared on an accrual basis and under the historical cost basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are

LODHA & CO LLP New Delhi Chartered Accountants

presented in INR and all values are rounded to the nearest INR Lac, except when otherwise indicated.

(iii) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(iv) Classification of Assets and Liabilities as Current and Non-Current.

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 product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

III. Material Accounting Policies for the year ended 31st March 2025.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, the Company no longer has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of Consideration that will be derived from the sales of Goods.
Revenue from the sale of goods is measured on transaction price excluding estimates of variable consideration that is allocated to performance obligations. Sales as disclosed, are exclusive of Goods and Services Tax.

LODHA & CO LLP
New Delhi
Chartered Accountants

Export incentives, Duty drawbacks and other benefits are recognized in the Statement of Profit and Loss.

Interest income

Interest income is recognized on time proportion basis using the effective interest method.

(ii) Government grants and incentives

Government grants are recognised when there is reasonable certainty that the Company will comply with the relevant conditions and the grant will be received. These are recorded at fair value where applicable. Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to assets are shown as deferred revenue and amortised over the useful life of the asset. Government grants related to income are presented separately under "Other Income", and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.

(iii) Inventory Valuation

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade and Stores & Spares are valued at the lower of cost and net realisable value (except scrap/waste which are value at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iv) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

(v) Property Plant and Equipment

a) On transition to IND AS, the company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment (PPE) at fair value. Consequently the fair value has been assumed to be deemed cost of PPE on the date of transition. Subsequently PPE are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

   PPE acquired are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses

LODHA & CO LLP New Delhi Chartered Accountants

directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

b) Capital work-in-progress includes cost of PPE under installation / under development as at the balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

c) Depreciation on Property, Plant and Equipment's of all Units is provided as per straight line method over their useful lives as prescribed under Schedule II of Companies Act, 2013. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 10 to 40 years for plant and machinery and 8 to 60 years for buildings. Depreciation on assets costing up to Rs.5000/- and on Temporary Sheds is provided in full during the year of additions.

Depreciation will be charged from the date the assets is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortized over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

LODHA & CO LLP
New Delhi
Chartered Accountants

(vi) Research and Development Costs

Revenue expenditure on Research and Development is charged to statement of Profit and loss in the year in which it is incurred and capital expenditure is added to Fixed Asset.

(vii) Leases

The Company as a lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(viii) Impairment

The carrying amount of PPEs, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The

LODHA & CO LLP New Delhi Chartered Accountants

impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

(ix) Financial Assets & Liabilities

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

(a) Financial Assets at Amortized Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

(b) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(c) Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

LODHA & CO LLP New Delhi Chartered Accountants

Trade Receivables.

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. The exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables that do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision for impairment and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognized in provision for impairment and the change in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Derecognition.

Financial Asset is primarily derecognised when:

(i) The right to receive cash flows from asset has expired, or.

(ii) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a " pass-through" arrangement and either:

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

LODHA & CO LLP
New Delhi
Chartered Accountants

Financial Liabilities.

Initial Recognition and Measurement.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent Measurement.

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

a) Financial Liabilities at Fair Value through Profit or Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

b) Financial Liabilities measured at Amortised Cost.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

c) Loans and Borrowings.

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

d) Trade and Other Payables.

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of

LODHA & CO LLP New Delhi Chartered Accountants

financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

De-recognition of Financial Liability.

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed in general, is recognized in profit or loss as other income or finance costs.

Offsetting of Financial Instruments.

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

Compound Financial Instruments.

The liability component of a compound financial instrument is recognized initially at fair value of a similar liability that does not have an equity component. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(x) Foreign Exchange Transactions

Financial statements are presented in Indian Rupee, which is Company's functional currency. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement of monetary items on actual payments / realisations and year end translations including on forward contracts are dealt with in Statement of Profit and Loss.

LODHA & CO LLP
New Delhi
Chartered Accountants

(xi) Employee Benefits

a) Defined Contribution Plan:

The Company makes defined contribution to Employees' Regional Provident Fund which is accounted on accrual basis as expenses in the statement of Profit and Loss

b) Defined Benefit Plan:

The Company's Liabilities on account of Gratuity on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19., 'Employee Benefits'. Gratuity Liability is funded on year-to-year basis by contribution to fund managed by the Life Insurance Corporation (LIC). The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Defined Benefit Plan can be short term or Long terms which are defined below:

i) Short-term Employee Benefit.

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

ii) Long-term employee Benefits

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date

c) Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

(a) When the entity can no longer withdraw the offer of those benefits; and

(b) When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

LODHA & CO LLP
New Delhi
Chartered Accountants

(xii) Earnings per Share (EPS)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

(xiii) Income Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

LODHA & CO LLP New Delhi Chartered Accountants

(xiv) Provisions and Contingent Liabilities /Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

(xv) Cash Flow Statement

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

(xvi) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xvii) Fair Value Measurements

The Company measures financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

LODHA & CO LLP New Delhi Chartered Accountants

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xviii) Significant Accounting Judgments, Estimates and Assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a. Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

b. Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

LODHA & CO LLP
New Delhi
Chartered Accountants

c. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

d. Defined Benefit Plans.

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

LODHA & CO LLP
New Delhi
Chartered Accountants

Note

(Rs. in Lacs)

2 Property, Plant and Equipment (PPE)

DESCRIPTION	GROSS BLOCK						DEPRECIATION					NET BLOCK	
	As at 1st April, 2024	Additions / Adjustments	Sales / Adjustments	Impact of Impairment	Asset held for Sale	As at 31st March, 2025	As at 1st April, 2024	For the period	Sales / Adjustments	Impact of Impairment	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Land													
Freehold land	6,745.10	-	-			6,745.10	-	-	-		-	6,745.10	6,745.10
Building													
Factory Building	4,147.58	924.03	-			5,071.61	723.23	135.96	-	-	859.19	4,212.42	3,424.35
Factory Residental Building	598.53	12.86	-			611.39	55.90	10.30	-		66.20	545.19	542.63
Plant & Machinery													
Owned	69,030.41	2,432.41	3.54	-	-	71,459.28	8,176.07	2,495.43	0.36	-	10,671.14	60,788.14	60,854.34
Right-of-use Asset	-	4,876.95	-			4,876.95	-	56.78	-		56.78	4,820.17	-
Furniture & Fixtures	225.98	58.39	0.25			284.12	95.37	29.10	0.20		124.27	159.85	130.61
Vehicles	239.95	115.92	33.00			322.87	56.32	35.03	10.68		80.67	242.20	183.63
Office Equipment	562.74	133.39	3.10			693.03	314.82	108.03	2.31		420.54	272.49	247.92
Railway Sidings	2.76	-	-			2.76	2.62	-	-		2.62	0.14	0.14
Total	81,553.05	8,553.95	39.89	-	-	90,067.11	9,424.33	2,870.63	13.55	-	12,281.41	77,785.70	72,128.72
Previous Year	78,696.32	4,525.74	1,669.01	-	-	81,553.05	8,305.70	2,607.11	1,488.48	-	9,424.33	72,128.72	70,390.62

3 (a) Other Intangible Assets

(Rs. in Lacs)

DESCRIPTION	GROSS BLOCK						DEPRECIATION					NET BLOCK	
	As at 1st April, 2024	Additions / Adjustments	Sales / Adjustments	Impact of Impairment	Asset held for Sale	As at 31st March, 2025	As at 1st April, 2024	For the period	Sales / Adjustments	Impact of Impairment	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Computer Software	410.73	11.08	-			421.81	340.76	41.41	-		382.17	39.64	69.97
Total	410.73	11.08	-	-	-	421.81	340.76	41.41	-	-	382.17	39.64	69.97
Previous Year	402.32	8.41	-	-	-	410.73	258.71	82.05	-	-	340.76	69.97	143.61

Refer note 16 and 20 for details on pledges and securities

(b) Capital-Work-in Progress (CWIP) Ageing:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress					
March 31, 2025	1,678.11	139.20	-	-	1,817.31
March 31, 2024	1,192.71	-	-	-	1,192.71
Projects temporarily suspended					
March 31, 2025	-	-	-	-	-
March 31, 2024	-	-	-	-	

LODHA & CO LLP ★ New Delhi ★ Chartered Accountants

Note

Rs. in Lacs

4 NON- CURRENT INVESTMENTS

	Face Value Rs. /Share	March 31, 2025 No of Share	March 31, 2025 Value	March 31, 2024 No of Share	March 31, 2024 Value
Quoted, Equity shares fully paid up					
Investment Carried at Fair Value through OCI					
Bengal & Assam Company Ltd.	**10/-**	78800	5,680.69	78800	6,734.84
TOTAL		**78800**	**5,680.69**	**78800**	**6,734.84**
Aggregated Book Value of Unquoted investments			-		-
Aggregate Market Value of Quoted Investments			5,680.69		6,734.84

	March 31, 2025	March 31, 2024
5 NON CURRENT FINANCIAL ASSETS - LOANS		
Unsecured Considered Good		
Inter-Corporate Loan	700.00	-
TOTAL	**700.00**	**-**
6 NON CURRENT FINANCIAL ASSETS - OTHERS		
Deposits with Government Authorities & Others		
Unsecured Considered Good	113.15	414.32
Unsecured Considered doubtful	-	638.82
Security Deposit on Lease Asset	61.86	-
Fixed Deposit with Banks(Remaining maturity of 12 months or more)	345.54	345.54
TOTAL	**520.55**	**1,398.68**
Less:- Provision on Deposits with Government Authorities & Others	-	638.82
	520.55	**759.86**
7 OTHER NON CURRENT ASSETS		
(Unsecured Considered Good)		
Capital Advances	80.68	62.18
Prepaid Expenses	16.52	10.27
TOTAL	**97.20**	**72.45**

LODHA & CO LLP
New Delhi
Chartered Accountants

Rs. in Lacs

Note			March 31, 2025	March 31, 2024
8	**INVENTORIES**			
	(valued at lower of cost and net realisable value)			
	Raw Materials*		6,595.68	5,036.27
	Work-in-Progress		1,618.03	796.03
	Finished Goods		342.42	39.80
	Stores & Spares		1,935.42	2,120.95
		TOTAL	**10,491.55**	**7,993.05**

* Raw material in transit is Rs. 1.51 lacs (Previous year Nil)
Refer note 20 for details on pledges and securities

Note			March 31, 2025	March 31, 2024
9	**TRADE RECEIVABLES**			
	Unsecured			
	Considered Good		-	-
	Credit Impaired		-	647.74
			-	**647.74**
	Less: Allowance for expected credit losses		-	647.74
		TOTAL	-	-

Refer note 20 for details on pledges and securities

Particulars	**Not Due**	**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							
March 31, 2025	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful							
March 31, 2025		-	-	-	-	-	-
March 31, 2024		-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good							
March 31, 2025		-	-	-	-	-	-
March 31, 2024		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful							
March 31, 2025		-	-	-	-	-	-
March 31, 2024		-	-	-	-	647.74	**647.74**
Less: Allowance for credit impairment							
March 31, 2025		-	-	-	-	-	-
March 31, 2024		-	-	-	-	647.74	**647.74**
Total							
March 31, 2025		-	-	-	-	-	-
March 31, 2024		-	-	-	-	-	-

Note			March 31, 2025	March 31, 2024
10	**CASH AND CASH EQUIVALENTS**			
	Balance with Banks		57.58	28.06
	Cash on Hand		5.53	2.73
		TOTAL	**63.11**	**30.79**

LODHA & CO LLP
New Delhi
Chartered Accountants

Rs. in Lacs

Note			March 31, 2025	Rs. in Lacs March 31, 2024
11	**BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**			
	Other Bank Balances			
	Fixed Deposit with Banks (as Lien)		138.03	130.00
	Balance with Bank for earmarked purposes		130.58	130.58
		TOTAL	**268.61**	**260.58**

Note			March 31, 2025	March 31, 2024
12	**CURRENT FINANCIAL ASSETS - OTHER**			
	(Unsecured, considered good)			
	Other Receivables		16.50	9.05
	Interest Accrued but not due on Fixed Deposits		54.27	38.00
	Interest Accrued but not due on Security Deposits		6.76	-
	Interest Accrued on ICD		17.61	-
	Advances to Employees		36.13	48.43
	Government Incentives Receivable - Revenue		23,478.89	26,412.21
			23,610.16	**26,507.69**
	Less:- Provision on Advances to Employees		0.57	14.69
		TOTAL	**23,609.59**	**26,493.00**

Note			March 31, 2025	March 31, 2024
13	**CURRENT TAX ASSETS (Net)**			
	Advance Income Tax/ Tax deducted at source		-	777.08
		TOTAL	**-**	**777.08**

Note			March 31, 2025	March 31, 2024
14	**OTHER CURRENT ASSETS**			
	(Unsecured, considered good)			
	Prepaid Expenses		98.03	94.86
	Advances to Suppliers		488.01	763.65
	Balance with Govt. Authorities		5,783.33	4,647.91
	Employee Defined Benefit Plan (net asset)		-	89.20
			6,369.37	**5,595.62**

Note			March 31, 2025	March 31, 2024
14.1	**ASSET HELD FOR SALE**			
	Assets held for Sale		7.70	7.70
			7.70	**7.70**

LODHA & CO LLP
New Delhi
Chartered Accountants

Rs. in Lacs

Note		March 31, 2025	March 31, 2024
15	**SHARE CAPITAL**		
	Authorised : Equity Shares - 20,00,00,000 of Rs. 10 each (20,00,00,000 Equity Share of Rs. 10 each)	20,000.00	20,000.00
	Preference Shares - 20,000 of Rs. 1,00,000/- each (20,000 Share of Rs. 1,00,000/- each)	20,000.00	20,000.00
		40,000.00	40,000.00
	Issued, Subscribed and Paid up : Equity Shares - 18,20,00,073 Rs 10 each fully paid up (18,20,00,073 Equity Share of Rs 10 each fully paid up)	18,200.01	18,200.01
		18,200.01	18,200.01

Notes :

(a) During the FY 2018-19 Company had issued 4,30,00,003 Equity Shares issued at par for consideration other than cash.

During the FY 2018-19 1,69,93,594 fully paid Equity Shares were extinguished/cancelled as per the Approved Resolution Plan dated July 19, 2018 of the NCLT, Hyderabad.

(b) Reconciliation of Equity Share Capital (In numbers)

Shares outstanding at the beginning of the year	18,20,00,073	18,20,00,073
Add : Shares issued during the year	-	-
Less : Shares cancelled during the year	-	-
Shares outstanding at the end of the year	18,20,00,073	18,20,00,073

(c) Equity Shares:

The Equity Shareholders have:-

- The right to receive dividend out of balance of net profits remaining after payment of dividend to the preference shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing general meeting.

- The Company has only one class of Equity Shares having face value of Rs. 10/- each and each shareholder is entitled to one vote per share.

- In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, after preferential payments and to have a share in surplus assets of the Company, proportionate to their individual shareholding in the paid up equity capital of the Company.

(d) (i) List of Shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers) :

	March 31, 2025	March 31, 2024
Enviro Tech Ventures Limited	17,30,00,003	17,30,00,003

(ii) No. of Shares held by holding company or Ultimate holding company

Enviro Tech Ventures Limited	17,30,00,003	17,30,00,003
JK Paper Limited.(Ultimate Holding Company)	90,00,000	90,00,000

(e) **Equity Share Capital held by promoters at the end of the year March 2025**

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2024)	Change during the year	No. of Shares at the year end (31.03.2025)	%of total shares	% Change during the year
1	Enviro Tech Ventures Limited	17,30,00,003	-	17,30,00,003	95.05	-
2	JK Paper Limited	90,00,000	-	90,00,000	4.95	-

Equity Share Capital held by promoters at the end of the year March 2024

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2023)	Change during the year	No. of Shares at the year end (31.03.2024)	%of total shares	% Change during the year
1	Enviro Tech Ventures Limited	17,30,00,003	-	17,30,00,003	95.05	-
2	JK Paper Limited	90,00,000	-	90,00,000	4.95	-

LODHA & CO LLP New Delhi Chartered Accountants

Rs. in Lacs

Note		March 31, 2025	March 31, 2024
(f)	Reconciliation of Preference Share Capital (In numbers)		
	Shares outstanding at the beginning of the year	17,203	17,203
	Add : Shares issued during the year		
	Shares outstanding at the end of the year	17,203	17,203

(g) Preference Shares:

The Preference Shareholders have:-

- During the FY. 2018-19 the company had issued Redeemable Preference Shares of Rs. 1,62,03,00,000 for consideration other than cash, to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

- During the FY. 2019-20 company has issued Cumulative Redeemable Preference Shares of Rs. 10,00,00,000 for consideration in cash, to be redeemed at the end of 12 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

- The Company has two class of Preference Shares having face value of Rs. 1,00,000/- each
- In the event of liquidation the Preference Share Holders will carry a preferential rights over the holder of Equity Shares for payment of Dividend and for payment of Capital, in proportion to their share holding.

(h) List of Shareholders holding more than 5% of the Preference Share Capital of the Company (In numbers) :

	March 31, 2025	March 31, 2024
State Bank of India	-	4,618
Central Bank of India	3,121	3,121
Union Bank of India/Andhra Bank	1,011	1,011
JK Paper Limited	12,426	7,808

(i) **Preference Shares held by promoters at the end of the year March 2025**

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2024)	Change during the year	No. of Shares at the year end (31.03.2025)	%of total shares	% Change during the year
1	JK Paper Limited	7,808.00	4,618.00	12,426.00	72.23%	26.84%

Preference Shares held by promoters at the end of the year March 2024

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2023)	Change during the year	No. of Shares at the year end (31.03.2024)	%of total shares	% Change during the year
1	JK Paper Limited	1,000.00	6,808.00	7,808.00	45.39%	39.58%

(j) Total Unpaid cumulative dividend on Redeemable Preference shares as on 31st March,2025 is Rs. 1.72 Lacs (Previous Year Rs. 9.62 Lacs)

(k) There is no issue of Bonus Share and buy back in preceding five years.

(l) During the FY 2019-20 The company had issued Redeemable Preference Shares of Rs. 10 Cr, to be redeemed at the end of 12 years from the issue date with dividend of 0.01% p.a.. Redeemable Preference Shares of Rs.162 Cr, issued during the FY 2018-19 to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

LODHA & CO LLP New Delhi Chartered Accountants

Rs. in Lacs

Note			March 31, 2025	March 31, 2024
16	**NON CURRENT FINANCIAL LIABILITIES - BORROWINGS**			
	SECURED			
	Term Loan			
	From Banks		14,012.99	16,489.27
	UNSECURED			
	Liability Component of Redeemable Preference Share		7,659.38	7,192.58
	Inter-Corporate Loan from JKPL ("Ultimate Holding Co.")		5,000.00	5,000.00
			26,672.37	**28,681.85**
	Less : Current Maturities of Long Term Borrowings		7,479.15	2,476.28
		TOTAL	**19,193.22**	**26,205.57**
16.1	**NON CURRENT FINANCIAL LIABILITIES - LEASE**			
	UNSECURED			
	Lease Liabilities		4,788.99	-
	Less : Current Maturities of Lease Liability		162.99	-
		TOTAL	**4,626.00**	**-**

A. Term Loans of Rs. 14,079.39 Lacs from Banks is secured by means of first pari passu mortgage/charge on the fixed assets of the company, and is further secured by second charge on the current assets of the Company.

1 Term Loans aggregating to Rs. 10,079.39 Lacs are repayable in total 22 equal quarterly instalments from June 2025 to September 2030.

2 Term Loans aggregating to Rs. 4,000.00 Lacs are repayable in total 24 equal quarterly instalments from June 2025 to March 2031.

B. Secured Term loans from Bank has been reduced by Rs. 66.40 Lacs due to effective rate of interest.

C. Inter-Corporate Loan from JKPL of Rs. 5,000 Lac is repayable in February 2026.

D. During the FY 2019-20 The company had issued Redeemable Preference Shares of Rs. 10 Cr, to be redeemed at the end of 12 years from the issue date with dividend of 0.01% p.a.. Redeemable Preference Shares of Rs.162 Cr, issued during the FY 2018-19 to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

17	**NON CURRENT PROVISIONS**			
	Provision for Employee Benefits		111.87	110.61
		TOTAL	**111.87**	**110.61**
18	**DEFERRED TAX LIABILITIES**			
	Tax on difference between book value of depreciable assets as per books of account and written down value as per Income Tax		11,380.38	9,555.36
	Tax on Others *		(1,585.77)	(123.03)
	Total Deferred Tax Liability		**9,794.61**	**9,432.33**
	*includes Deferred Tax Assets			
19	**OTHER NON CURRENT LIABILITIES**			
	Deferred Government Incentives		3,783.33	3,983.33
			3,783.33	**3,983.33**

LODHA & CO LLP
New Delhi
Chartered Accountants

Rs. in Lacs

Note		March 31, 2025	March 31, 2024
20	**CURRENT FINANCIAL LIABILITIES - BORROWINGS**		
	SHORT TERM BORROWINGS		
	SECURED		
	Working Capital Borrowings from Bank *	-	184.81
	Current Maturities of Non Current Borrowings	7,479.15	2,476.28
	TOTAL	**7,479.15**	**2,661.09**

* Working Capital Borrowings are secured by hypothecation of Raw Materials, Stock-in-Process, Stores & Spares and Book Debts. The same are further Secured by a Second charges on the movable and immovable assets of the Company.

Note		March 31, 2025	March 31, 2024
21	**CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE**		
	Trade Payable		
	Total outstanding dues of Micro and Small Enterprises (refer note 43)	83.91	87.71
	Total Outstanding dues of Creditors other than Micro and Small Enterprises *	4,518.77	3,564.43
	TOTAL	**4,602.68**	**3,652.14**

** including payable to related parties Rs.36.93 lacs (Previous year Rs.Nil)*

Trade Payables ageing schedule :

Particulars	Current but not due	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						
March 31, 2025	83.91	-	-	-	-	83.91
March 31, 2024	87.71	-	-	-	-	87.71
(ii)Others						
March 31, 2025	2,154.89	2,339.99	16.18	4.02	3.69	4,518.77
March 31, 2024	2,015.83	1,524.06	8.04	3.27	13.23	3,564.43
(iii) Disputed dues – MSME						
March 31, 2025		-	-	-	-	-
March 31, 2024		-	-	-	-	-
(iv) Disputed dues - Others						
March 31, 2025		-	-	-	-	-
March 31, 2024		-	-	-	-	-

Note		March 31, 2025	March 31, 2024
22	**CURRENT FINANCIAL LIABILITIES - OTHER**		
	Interest Accrued but not due#	12.02	8.05
	Capital Creditors *	765.13	789.10
	Other Payables ^	3,109.98	2,872.43
	TOTAL	**3,887.13**	**3,669.58**

 # including payable to related parties Rs.1.24 lacs (Previous year Rs.Nil)

** including payable to related parties Rs.11.79 lacs (Previous year Rs.112.92 lacs)*

^ including payable to related parties Rs.9.81 lacs (Previous year Rs.9.33 lacs)

Note		March 31, 2025	March 31, 2024
23	**OTHER CURRENT LIABILITIES**		
	Advance from Customers *	3,071.84	5,027.44
	Statutory Dues	104.06	110.60
	Employee Defined Benefit Plan (Net Liabilities)	53.45	-
	Deferred Government Incentives	200.00	200.00
	TOTAL	**3,429.35**	**5,338.04**

** Advance received from related parties Rs. 2916.03 lacs (Previous year Rs.4949.21 lacs)*

Note		March 31, 2025	March 31, 2024
24	**SHORT TERM PROVISIONS**		
	Provision for Employee Benefits	35.67	26.32
	TOTAL	**35.67**	**26.32**
25	**CURRENT TAX LIABILITIES**		
	Provision for Income Tax (Net of Advance tax)	93.61	-
	TOTAL	**93.61**	**-**

LODHA & CO LLP New Delhi Chartered Accountants

Rs. in Lacs

Note			2024-25	2023-24
26	**NET SALES**			
i)	**RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES**			
	Revenue as per contracted prices		88,454.74	97,536.53
	Adjustments:			
	Discount		(5,074.36)	(4,495.93)
	Revenue from contract with customers		83,380.38	93,040.60
ii)	**CONTRACT BALANCES**			
	Trade Receivables		-	-
	Contract Liabilities		3,071.84	5,027.44
27	**OTHER OPERATING REVENUES**			
	Insurance Charges Recovered		3.29	0.07
	Excess Provision no longer required written back		-	219.04
	Sale of Scrap *		72.89	146.17
		TOTAL	**76.18**	**365.28**
	** Process scrap sales.*			
28	**OTHER INCOME**			
	Interest Income		83.52	47.39
	Government Incentives		200.00	10,171.51
	Profit on Sale/Fair value of Current investment		-	6.58
	Dividend Received		31.52	-
	Miscellaneous Income*		249.22	238.28
	Other Income		98.45	110.05
	Foreign Exchange Fluctuation Gain(Net)		10.44	5.26
		TOTAL	**673.15**	**10,579.07**
	** including scrap sales.*			
29	**COST OF MATERIALS CONSUMED**			
	Hardwood		33,498.08	27,256.66
	Pulp		1,165.04	1,308.18
	Chemicals		11,171.58	10,956.92
	Packing Material		2,963.73	2,988.54
		TOTAL	**48,798.43**	**42,510.30**
30	**Changes in Inventories of Finished Goods and Work-in-Progress**			
	Inventories at the beginning of the period			
	Finished Goods		39.80	73.38
	Work-in-Progress		796.03	607.07
			835.83	**680.45**
	Inventories at the end of the period			
	Finished Goods		342.42	39.80
	Work-in-Progress		1,618.03	796.03
			1,960.45	**835.83**
		TOTAL	**(1,124.62)**	**(155.38)**
31	**EMPLOYEE BENEFIT EXPENSES**			
	Salaries, Wages, Allowances, etc.		6,347.10	6,154.84
	Contribution to Provident and Other Funds		356.51	335.35
	Staff Welfare Expenses		96.77	95.49
		TOTAL	**6,800.38**	**6,585.68**

LODHA & CO LLP
New Delhi
Chartered Accountants

Rs. in Lacs

Note			2024-25	2023-24
32	**FINANCE COST**			
	Interest on:			
	Term Loans		1,412.32	1,767.79
	Others		356.75	672.00
	Redeemable Preference Share		478.13	438.35
	Other Borrowing Costs:			
	Financial Charges		5.70	6.89
	Interest on Lease Liabilities		71.51	-
	Net (Gain) or Loss on Foreign Currency Transaction		-	39.48
		TOTAL	**2,324.41**	**2,924.51**
33	**DEPRECIATION AND AMORTISATION EXPENSES**			
	Depreciation on Property, Plant & Equipment		2,870.63	2,607.11
	Amortization of Intangible Assets		41.41	82.05
		TOTAL	**2,912.04**	**2,689.16**
34	**OTHER EXPENSES**			
	Consumption of Stores and Spares		2,240.72	2,990.22
	Power, Fuel and Water		12,881.88	12,791.78
	Repairs to Building		558.99	303.24
	Repairs to Machinery		1,431.82	1,732.29
	Repairs - Others		185.54	612.38
	Professional Charges		65.49	112.93
	Rent		29.90	34.24
	Insurance		198.55	175.62
	Rates and Taxes		90.69	76.64
	Directors' Fees		6.25	4.45
	Loss on Sale of Assets		13.14	13.43
	Asset Written off		0.40	-
	Provision for Doubtful Advances	14.68		
	Less: Withdrawal from Provision for Doubtful Advance	14.68	-	-
	Corporate Social Responsibility		570.45	96.55
	Bad Debts	647.74		
	Less: Withdrawal from Provision for Doubtful Debts	647.74	-	-
	Deposits with Government Authorities & Others	638.82		
	Less: Withdrawal from Pro. on Deposits with Govt. Authorities & Others	638.82	-	-
	Other Miscellaneous Expenses		352.52	521.31
		TOTAL	**18,626.34**	**19,465.08**

LODHA & CO LLP
New Delhi
Chartered Accountants

35 Resolution Plan under Corporate Insolvency Resolution Process

A corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company vide an order of the Hyderabad Bench of the National Company Law Tribunal ("NCLT") dated September 18, 2017. Subsequent to that, on July 19, 2018, the NCLT had approved the terms of the Resolution Plan submitted by JK Paper Ltd. ("JKPL"), which provides, inter alia, the acquisition of the Company by JKPL.

36 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Rs. in Lacs

	Year ended March 31, 2025	Year ended March 31, 2024
a) Claim against the company not acknowledged as debts.		
Excise duty/ Custom duty/Service tax liability in respect of matter in appeals	Nil	Nil
Sales tax/ VAT liability in respect of matter in appeals	Nil	Nil
Income tax liability that may arise in respect of matters in appeal referred by the department	Nil	Nil
Other matters	Nil	Nil
b) Commitments:		
Contracts remaining to be executed on capital account	838.42	891.70

c) As per the Resolution Plan as approved by Hon'ble National Company Law Tribunal ("NCLT"), on July 19, 2018, all the past liabilities other than settled as part of the Resolution Plan including contingent liabilities, whether crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Completion Date i.e. 1st August 2018, stands extinguished and the Company is not be liable to pay any amount against such demands. Upon approval of this Resolution Plan by the NCLT, all outstanding litigations/ demands, assessments/ appellate or other proceedings, including but not limited to any audits, investigations, search and seizure, pending in case of the Company relating to the period prior to the Completion Date, stands terminated and all consequential liabilities, if any, stands abated and is considered not to be paid by the Company.

Consequently, certain claims made by the government authorities related to period prior to the Completion datei.e.1st August 2018 have not been considered by the company

37 Expenditure incurred on Corporate Social Responsibilities

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act , 2013 read with Schedule III are as below

Rs. in Lacs

	Year ended March 31, 2025	Year ended March 31, 2024
1. Gross amount required to be spent by the Company during the year	460.00	207.00
2. Amount spent during the year		
Promotion of Education	364.26	1.08
Health Care	9.03	0.20
Others	11.02	95.27
Total	**384.31**	**96.55**
Total Previous year's shortfall/(Excess)	**110.45**	**-**
Shortfall at the end of the year	**186.14**	**110.45**

Nature of CSR activities:
Conservation of natural resources, Promotion of Education, Health care, rural development and livelihood interventions, Disaster relief, Digital Literacy amongst others.

Note-Unspent CSR amount of Rs. 186.14 lacs for the financial year 2024-25, has been transferred to Unspent Corporate Social Responsibility Bank account as per the provisions of Section 135 of the Companies Act, 2013. This amount will be spent in succeeding years on CSR projects/activities of the Company

38 Details of loans given, investments made and guarantee given covered U/s 186(4) of the Companies Act 2013

The company has given loan to Terrestrial Foods Processors Pvt Ltd amounting to Rs. 700 Lacs (Previous year Rs. Nil) mentioned above for general business purpose.There are no investment made by the company other than those stated under Note no 4 of the financial statements.

39 Interest Income includes Rs. 27.00 Lacs (Previous year Rs 33.33 Lacs) on Deposits with Banks and Rs. 56.52 lacs (Previous year Rs. 14.06 Lacs) on others.

40 LEASES

The Company has adopted Ind AS 116 "Leases" effective 1st April ,2019 as notified by the Ministry of Corporate Affairs (MCA) and applied the Standard to its leases using the simplified approach. This has resulted in recognising right – of – use assets and corresponding lease liabilities.

1 The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024:

Rs. in Lacs

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Current lease liabilities	162.99	-
Non-current lease liabilities	4,626.00	-
	4,788.99	**-**

LODHA & CO LLP
New Delhi
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

2 **The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024:**

Rs. in Lacs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning	-	-
Addition during the year	4,815.99	-
Deletion during the year	-	-
Finance cost accrued during the period	71.51	-
Payment of lease liabilities	(98.51)	-
Balance at the end	**4,788.99**	**-**

3 **The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31,2024 on an undiscounted basis:**

Rs. in Lacs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Not later than one year	578.38	-
Later than one year and not later than five years	2,313.52	-
Later than five years	5,685.31	-

41 OTHER DISCLOSURES

Rs. in Lacs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Auditors Remuneration*		
1. Statutory Auditors		
i. Audit Fee	7.00	5.00
ii. Tax Audit Fee	1.00	1.00
iii. Certification/other Services	3.13	0.83
iv. Out of Pocket Expenses	0.61	0.62
Total	**11.74**	**7.44**
2. Cost Auditors		
i. Audit Fee	0.50	0.50
Total	0.50	0.50

*Excluding Taxes

42 EARNING PER SHARE

Rs. in Lacs

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a)	Profit /(Loss) after tax	4,192.48	21,408.38
	Less: Dividend on Cumulative Preference Shares	-	(1.72)
	Profit /(Loss) after tax for Basic and diluted Earnings Per share	4,192.48	21,406.66
b)	Weighted Average Number of Ordinary Shares	18,20,00,073	18,20,00,073
c)	Nominal Value of Ordinary Shares	Rs. 10/-	Rs. 10/-
d)	Basic Earning Per Ordinary Share (Rs.)	2.30	11.76
e)	Diluted Earning Per Ordinary Share (Rs.)	2.30	11.76

43 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Rs. in Lacs

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as on	-	-
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	the amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

LODHA & CO LLP
New Delhi
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

44 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

a) **Defined Contribution Plans:-**
Amount recognized as an expense and included in Note 31 Item "Contribution to Provident and Other Funds Rs.299.00 Lacs (Previous year Rs. 288.17 Lacs) for Employees' Provident Fund .

b) **Defined benefits plans**
Gratuity Expense Rs. 57.51 lacs (Previous year Rs.48.18 lacs) has been recognized in "Contribution to Provident and Other Funds" under Note 31. as per Actuarial Valuation

Rs. in Lacs

	Particulars	Year ended March 31, 2025 Gratuity Funded	Year ended March 31, 2024 Gratuity Funded
I	**Change in present value of obligation during the period**		
	Present value of obligation at the beginning of the period	1,156.68	1,127.32
	Included in profit and loss:		
	- Current Service Cost	63.96	60.31
	- Interest Cost	83.63	84.55
	- Past Service Cost	-	-
	- Actuarial Gain/(Loss)	-	-
	Included in OCI:		
	Actuarial losses/(gains) arising from:		
	- Experience adjustments	60.10	34.61
	- Financial assumption	33.30	19.31
	- Demographic Assumptions	-	-
	Others		
	Benefits Paid	(142.13)	(169.42)
	Present Value of obligation as at year-end	**1,255.55**	**1,156.68**

II **Change in Fair Value of Plan Assets during the period**

Plan assets at the beginning of the period	1,245.89	1,302.41
Included in profit and loss:		
Expected return on plan assets	90.08	97.68
Included in OCI:		
Actuarial Gain/(Loss) on plan assets	(6.86)	13.43
Others:		
Employer's contribution	15.13	1.79
Benefits paid	(142.13)	(169.42)
Plan assets at the end of the year	**1,202.10**	**1,245.89**

The plan assets are managed by the LIC

III **Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**

1	Present Value of obligation as at year-end	(1,255.55)	(1,156.68)
2	Fair value of plan assets at year -end	1,202.10	1,245.89
3	Funded status {Surplus/(Deficit)}	(53.45)	89.20
	Net Asset/(Liability)	(53.45)	89.20

IV **Expenses recognised in the Statement of Profit and Loss**

1	Current Service Cost	63.96	60.31
2	Interest Cost	83.63	84.55
3	Past service Cost	-	-
4	Expected return on plan assets	(90.08)	(97.68)
	Total Expense	**57.51**	**47.18**

V **Expenses recognised in the Statement of Other Comprehensive Income**

1	Net Actuarial (Gain)/Loss	93.41	53.92
2	Expected return on plan assets excluding interest income	6.86	(13.43)
	Total Expense	**100.27**	**40.49**

LODHA & CO LLP New Delhi Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

Rs. in Lacs

	Particulars	Year ended March 31, 2025 Gratuity Funded	Year ended March 31, 2024 Gratuity Funded
VI	**Constitution of Plan Assets**		
1	Equity Instruments	-	-
2	Debt Instruments	-	-
3	Property	-	-
4	Insurance	1,202.10	1,245.89
VII	**Bifurcation of PBO at the end of the year**		
1	Current (Liability)/Assets	(53.45)	89.20
2	Non-Current Liability/(Assets)	-	-
VIII	**Actuarial Assumptions**		
1	Discount Rate	6.79%	7.23%
2	Expected rate of return on plan assets	6.79%	7.23%
3	Mortality Table	IALM (2012-14)	IALM (2012-14)
4	Salary Escalation	5.00%	5.00%
5	Turnover Rate	Age up to 30-3%, up to 44-2%, above 44-1%	Age up to 30-3%, up to 44-2%, above 44-1%

IX The expected contribution for Defined Benefit Plan for the next financial year will be Rs. Nil

X **Sensitivity Analysis**

Rs. in Lacs

Gratuity	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(73.35)	82.37	(68.67)	76.97
Future salary growth (1% movement)	81.05	(73.47)	76.13	(69.64)
Employee turnover (1% movement)	8.71	(9.67)	10.16	(11.22)

XI **Maturity Profile of projected benefit obligation from the fund**

	March 31, 2025 Gratuity Funded	March 31, 2024 Gratuity Funded
1st Following Year	160.78	113.44
2nd Following Year	32.66	36.72
3rd Following Year	110.34	147.68
4th Following Year	179.08	100.40
5th Following Year	125.91	165.26
Sum of Years 6 To 10	627.59	591.46
Sum of Years 11 and above	865.14	867.49

LODHA & CO LLP New Delhi Chartered Accountants

45 RELATED PARTY DISCLOSURES

a) List of Related Parties

i. Holding Company

Enviro Tech Ventures Limited

JK Paper Ltd. (JKPL), Ultimate Parent Company

ii. Subsidiary of Holding Company

Horizon Packs Private Limited

JKPL Utility Packaging Solutions Pvt. Ltd. (Erstwhile Manipal Utility Packaging Solutions Pvt. Ltd.)

iii. Trust under common control

The Sirpur Paper Mills Ltd. Employees Gratuity Fund

iv. Key Management Personnel (KMP)

Executive Directors

Shri Vijaysinh Gambhire, President & Director (ceased w.e.f.29.11.2024)

Executives

Shri Surendra Behani, CFO (ceased w.e.f.06.10.2024)

Anil Kumar Majety, CFO (w.e.f. 28.10.2024)

Shri Rajesh Tripathi, Company Secretary

Non-Executive Directors

Shri Om Prakash Goyal (ceased w.e.f.30.08.2024)

Shri A.S. Mehta, Director

Shri Nagaraju Srirama

Shri Pavan Kumar Suri

Shri Kalpataru Tripathy

Smt. Sharda Singhania, Director

v- KMP of Parent Company (ETVL)

Non-Executive Directors

Shri Sushil Kumar Wali

Shri Vinit Marwaha(ceased w.e.f.03.09.2024)

Shri Ashok Gupta

Shri Kalpataru Tripathy

Ms. Poonam Singh

Executives

Shri. Sudipta Chakrabarty, Manager and Chief Finance Officer

Ms. Hanisha Gabrani, Company Secretary

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

Rs. in Lacs

Sl. No	Nature of Transactions	Holding Companies			
		ETVL		JKPL	
		2024-25	2023-24	2024-25	2023-24
(i)	Sale of Material	-	-	84,303.26	93,051.76
(ii)	Sale of Fixed Assets	-	-	0.57	-
(iii)	Lease of Godown (s)	-	-	39.08	37.04
(iv)	Maintenance Charges of Godown (s)	-	-	1.32	1.32
(v)	Purchase of Material	8.61	241.01	1,091.62	549.59
(vi)	Purchase of Fixed Assets	-	-	10.06	48.66
(vii)	Reimbursement of Expenses – Paid	-	-	5.18	3.37
(viii)	Reimbursement of Expenses – Received	-	-	0.99	3.14
(ix)	Interest Expense	-	-	350.00	658.58
(x)	Dividend Paid	-	-	4.29	-
(xi)	Outstanding at end of the period - Payable*	-	112.80	7,958.14	9,958.66

* It represents Net of Receivable and Payable.

c) Other Entities

Rs. in Lacs

Sl. No	Nature of Transactions	Other Entities			
		JKPL Utility Packaging		Horizon Packs Pvt. Ltd.	
		2024-25	2023-24	2024-25	2023-24
(i)	Purchase of Material	1.55	-	21.10	-
(ii)	Outstanding at end of the period - Payable*	1.51	-	14.90	-

* It represents Net of Receivable and Payable.

d) Key Management Personnel (KMP) :

Rs. in Lacs

Sl. No	Particulars	2024-25	2023-24
(i)	Short-term Employee Benefits #	264.81	342.18
(ii)	Sitting Fees to Non-Executive Directors	6.25	6.18

The above said remuneration is excluding provision for Gratuity, where the actuarial valuation is done on overall Company basis.

Note: The Company paid an honorarium of Rs. 12.00 lacs (Prev. year Rs.12.00 lacs) to Shri Harsh Pati Singhania, Vice Chairman & Managing Director of JK Paper Limited (Ultimate Parent Company), a related party, as an Advisor.

LODHA & CO LLP New Delhi Chartered Accountants

46 FINANCIAL INSTRUMENTS

Rs. in Lacs

Financial Assets

Sl.No		Particulars	Note	Fair value hierarchy	As at March 31, 2025 Carrying Amount	As at March 31, 2025 Fair Value	As at March 31, 2024 Carrying Amount	As at March 31, 2024 Fair Value
1		**Financial assets designated at fair value through profit and loss**			-	-	-	-
2		**Financial assets designated at fair value through other comprehensive income**			-	-	-	-
		Investment In Equity shares	B	Level-1	5,680.69	5,680.69	6,734.84	6,734.84
3		**Financial assets designated at amortised cost**						
	a)	Loan			700.00	700.00	-	-
	b)	Other Bank Balances *			268.61	268.61	260.58	260.58
	c)	Cash & Cash Equivalents *			63.11	63.11	30.79	30.79
	d)	Trade receivables *			-	-	-	-
	e)	Other receivables *			-	-	-	-
	d)	Other financial assets			24,130.14	24,130.14	27,252.86	27,252.86
					30,842.55	30,842.55	34,279.07	34,279.07

Financial Liabilities

Sl.No		Particulars	Note	Fair value hierarchy	As at March 31, 2025 Carrying Amount	As at March 31, 2025 Fair Value	As at March 31, 2024 Carrying Amount	As at March 31, 2024 Fair Value
1		**Financial liability designated at fair value through profit and loss**			-	-	-	-
2		**Financial liability designated at amortised cost**	A					
	a)	Borrowings			26,672.37	26,672.37	28,866.66	28,866.66
	b)	Lease Liabilities *			4,788.99	4,788.99	-	-
	c)	Trade payables *			4,602.68	4,602.68	3,652.14	3,652.14
	d)	Other financial liability *			3,887.13	3,887.13	3,669.58	3,669.58
					39,951.17	39,951.17	36,188.38	36,188.38

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Methods and assumptions to estimate the fair values.

A Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

B Company has opted to fair value its quoted investments in equity share through OCI

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

LODHA & CO LLP
New Delhi
Chartered Accountants

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

47.1 Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funding by including cost of currency cover also. Whenever, the currency cover costs are such as to neutralize the advantage in foreign currency, loans are hedged so as to not to lose advantage. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

i. Credit Risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company. The company has stop supply mechanism in place in case outstanding goes beyond agreed limits.

ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to fluctuation in market prices. These comprise three types of risk i.e. currency rate , interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a. Foreign Currency Risk and sensitivity

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As on date the Company's imports are not substantial and hence Foreign Exchange Risks are not substantial. Wherever required, Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management practices, including the use of derivatives like foreign exchange forward contracts and Option contracts to hedge exposure to foreign currency risk.

The following table analysis foreign currency risk from financial instruments as of March 31, 2025:

Rs. in Lacs

Particulars	USD	Euro	GBP	Total
Financial Assets				
Cash and cash equivalents	-	-	-	-
Trade receivables	-	-	-	-
Other financials assets (including loans)	-	-	-	-
Financial liabilities				-
Trade payables	-	(9.19)	-	(9.19)
Other financials liabilities	-	-	-	-
Current Financial Liabilities	(107.06)	(48.29)	-	(155.35)
Borrowings	-	-	-	-
Interest Accrued but not due	-	-	-	-
Net assets / (liabilities)	**(107.06)**	**(57.48)**	**-**	**(164.54)**

The following table analysis foreign currency risk from financial instruments as of March 31, 2024:

Rs. in Lacs

Particulars	USD	Euro	GBP	Total
Financial Assets				
Cash and cash equivalents	-	-	-	-
Trade receivables	-	-	-	-
Other financials assets (including loans)	-	-	-	-
Financial liabilities				-
Trade payables	(37.99)	-	-	(37.99)
Current Financial Liabilities	(78.80)	(138.96)	-	(217.77)
Borrowings	-	-	-	-
Interest Accrued but not due	-	-	-	-
Net assets / (liabilities)	**(116.80)**	**(138.96)**	**-**	**(255.76)**

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	March 31, 2025	**March 31, 2024**
USD	85.58	83.37
EUR	92.32	90.22

LODHA & CO LLP
New Delhi
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

b. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates exposes it to cash flow risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Risk Exposure

Rs. in Lacs

Particulars	31st March, 2025		31st March, 2024	
	(Rs. in Lacs)	% of Total	(Rs. in Lacs)	% of Total
Fixed Rate Borrowings	12,659.38	47.46%	12,192.58	42.24%
Variable Rate Borrowings	14,012.99	52.54%	16,674.08	57.76%
Total Borrowings	**26,672.37**	**100.00%**	**28,866.66**	**100.00%**

Sensitivity on variable rate borrowings

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Interest Rate Increase by 0.25%	(35.03)	(41.69)	(35.03)	(41.69)
Interest Rate decrease by 0.25%	35.03	41.69	35.03	41.69

c. Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

CREDIT RISK

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. Nil as of March 31, 2025 (Rs.Nil as of March 31, 2024). Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Company's historical experience for customers.

The information required in respect of percentage of revenues generated from top customers are as under:

(In %)

Particulars	Year ended March 31st	
	2025	2024
Revenue from top customer	99.62%	99.59%
Revenue from top five customers	99.87%	99.82%

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2025 was Rs. Nill (Previous Year Rs. 647.74 lacs) which are related to trade receivables prior to resolution date.

Rs. in Lacs

Particulars	Year ended March 31st	
	2025	2024
Balance at the beginning	647.74	647.74
Impairment loss reversed/ adjusted	(647.74)	-
Additional provision created during the year	-	-
Balance at the end	-	**647.74**

The deposits with banks comprises mostly the liquid investment of the company and are generally not exposed to credit risk

Ageing Analysis of Trade Receivables

Rs. in Lacs

Particulars	As 31st March, 2025				As 31st March, 2024			
	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months
Unsecured	-	-	-	-	-	-	-	647.74
Provision for Doubtful Receivables	-	-	-	-	-	-	-	647.74
Net Balance	-	-	-	-	-	-	-	-

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirement. The company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The company also has adequate credit facilities agreed with the banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2025:

Rs. in Lacs

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	7,479.15	7,479.15	-	-	**7,479.15**
Borrowings - Non-Current	19,193.22	-	9,951.78	9,241.44	**19,193.22**
Lease Liabilities- Current	162.99	162.99	-	-	**162.99**
Lease Liabilities-Non-Current	4,626.00	-	817.78	3,808.22	**4,626.00**
Trade payables	4,602.68	4,602.68	-	-	**4,602.68**
Other financial liabilities - Current	3,887.13	3,887.13	-	-	**3,887.13**
Other financial liabilities - Non-Current					-
Interest accrued but not due on loans	-	-	-	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2024:

Rs. in Lacs

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	2,661.09	2,661.09	-	-	**4,080.97**
Borrowings - Non-Current	26,205.57	-	14,936.98	11,268.59	**44,318.77**
Trade payables	3,652.14	3,652.14	-	-	**3,861.48**
Other financial liabilities - Current	3,669.58	3,669.58	-	-	**3,502.08**
Other financial liabilities - Non-Current					-
Interest accrued but not due on loans		-	-	-	-

47.2 **Competition and Price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

47.3 **Capital Risk Management**

Rs. in Lacs

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be

	As at March 31 2025	As at March 31 2024
Borrowings	26,672.37	28,866.66
Less: cash and cash equivalents including other bank balance	331.72	291.37
Net debt	26,340.65	28,575.29
Equity	70,251.41	67,037.36
Capital and Net debt	96,592.06	95,612.65
Gearing Ratio	27%	30%

LODHA & CO LLP New Delhi Chartered Accountants

48 Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

i) Foreign currency Exposure not hedged as at Balance Sheet Date :

Foreign Currency	As at 31- March ,2025		As at 31- March ,2024	
	FC in lacs	(In Lacs Rs.)	FC in lacs	(In Lacs Rs.)
US Dollar	1.25	107.06	1.40	116.80
Euro	0.62	57.48	1.54	138.96

49 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of assets other than already done and disclosed in financial statements. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

50 As required by Ind AS 36, an assessment of impairment of assets was carried out during the year and based on such assessment, the company has concluded that no impairment provision is required in the current year.

51 Income Tax

Rs. in Lacs

a) Amount recognised in Statement of Profit and Loss

Particulars	2024-25	2023-24
Current Income Tax		
Current year	1,061.99	31.38
Total	**1,061.99**	**31.38**
Deferred Tax	538.26	8,525.84
Income tax expense reported in the statement of profit and loss	**1,600.25**	**8,557.22**

b) Reconciliation of Effective Tax Rate

Particulars	2024-25	2023-24
Profit /(Loss) before tax	**5,792.73**	**29,965.60**
At applicable Statutory Income Tax Rate CY- 25.168 % (Previous year CY- 25.168 %)	1,457.91	7,541.74
Tax Impact on:-		
Brought forward Unabsorbed Depreciation adjusted under Income tax act	-	-
CSR Expenditure	143.57	24.30
Reversal of Deferred Tax Liability (Impact of new tax regime)*	-	(232.28)
Others	(1.24)	239.93
Prior Period Income Tax	-	983.53
Reported Income Tax Expense	**1,600.25**	**8,557.22**
Effective Tax Rate	**27.63%**	**28.56%**

* On 30 September 2019, the Taxation Laws (Amendment) Ordinance 2019 ('the Ordinance') was passed introducing section 115BAA of the Income-tax Act, 1961 which allowed domestic companies to opt for an alternative tax regime from financial year 2019-20 onwards. As per the regime, companies can opt to pay reduced income-tax @22% (plus surcharge and cess) subject to foregoing of certain exemptions. Central Board of Direct taxes vide circular number 29/2019 clarified that companies opting for lower rates of taxes will not be allowed to carry forward minimum alternate tax (MAT) credit and also will not be allowed to offset brought forward losses on account of additional depreciation. During the year 2023-24, the Company has decided to opt for the aforementioned regime and has provided for its current taxes at lower rates and has made the requisite adjustments in its deferred taxes.

LODHA & CO LLP
New Delhi
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

52 During the year the company has recognised government grant in terms of MoA entered with Government of Telangana as under:

Rs. in Lacs

Particulars	2024-25	2023-24
Revenue	-	9,971.51
Capital Subsidy	-	-

i) In current year Rs.200 lacs Deferred Government Grant (previous year Nil) has been recognised in Statement of Profit and Loss Account.

ii) In accordance with the Accounting policy as adopted in line with IND AS 20, the Company is recognising Govt. Grants on the basis of reasonable certainty that it will comply with the relevant conditions attached to them and the grant will be received . Accordingly during the year the company has not recognised Govt Grants to the extent of uncertainty involved relates to the amount which is yet to be received.

53 (A) Financial Ratio's

Srl No	Ratio	Numerator	Denominator	31-03-2025	31-03-2024	% Change	Remarks
1	Current Ratio (Times)	Current Asset	Current Liability	2.07	2.68	-22.72%	
2	Debt Equity Ratio (Times)	Total Debt	Shareholder Equity	0.45	0.43	4.00%	
3	Debt Service Coverage Ratio (Times)	EBITDA	Debt Service	2.24	1.54	45.33%	Due to prepayment of ICD/Loan in last financial year
4	Return on Equity	Profit after tax	Shareholder Equity	6.11%	38.22%	-32.10%	Due to lower Profit as compare to Last financial year
5	Inventory Turnover Ratio (Times)	Sales	Average Inventory	9.02	12.40	-27.25%	Due to lower sales and Increase in Inventory as compare to last financial year
6	Trade Receivable Turnover Ratio (Times)	Sales	Average Trade Receivables	-	180.15	NA	
7	Trade Payable Turnover Ratio (Times)	Purchases	Average Trade Payables	12.70	12.33	2.98%	
8	Net Capital Turnover Ratio (Times)	Net Sales	Working Capital	3.95	3.60	9.52%	
9	Net Profit Ratio	Net Profit after Tax	Net Sales	5.03%	23.01%	-17.97%	
10	Return on Capital Employed	EBIT	Tangible Net Worth+Total Debt+DTL	7.28%	31.24%	-23.96%	
11	Return On Investment			NA	NA	NA	

53 (B) Audit Trail

The Company has used an accounting software for maintaining its books of accounts during the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and has operated throughout the year except (a) the audit trail feature was not enabled for certain relevant tables at the application level and (b) change log is not enabled for certain information during the year.The audit trail has been preserved by the company as per the statutory requirements for record retention.

LODHA & CO LLP New Delhi Chartered Accountants

54 Expenditure on research and development (R & D) Activities **Rs. in Lacs**

Particulars	2024-25	2023-24
a) Revenue Expenditure		
Other Expenses	4.40	3.19
b)Capital Expenditure		
Other Expenses		-
Gross Total	**4.40**	**3.19**

55 Ind AS 115 Disclosure **Rs. in Lacs**

Particulars	2024-25	2023-24
a) Contract Balance		
Trade Receivable	-	-
Contract Liabilities	3,071.84	5,027.44
b) Reconciling the amount of revenue recognised in the statement of Profit & Loss		
Revenue as per contracted price	88,454.74	97,536.53
Less: Discounts	(5,074.36)	(4,495.93)
Revenue from Contract with Customers	**83,380.38**	**93,040.60**
c) Revenue recognised that was included in the contract liability balance at the beginning of the period		
Sale of goods	5,027.44	431.43

56 Other Statutory Information in terms of the amendment in schedule III of the companies act vide Notification No G.S.R.207(E) dt 24th March 2021.

a) The Company does not have any benami property, and no proceeding has been initiated or pending against the Company for holding any benami property.

b) The Company does not have any transactions with companies struck off.

c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

d) The Company have not traded or invested in crypto currency or virtual currency during the financial year.

e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(ii). Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company have not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a). 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

(b). Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.

g) The company has been sanctioned working capital limit in excess of Rs. 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The quarterly returns/ statements filed by the company with the bank, are generally in agreement with the unaudited books of accounts of the company of the respective quarters and differences, if any are not material.

h) The Company has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

i) The Company have not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the financial year.

57 Segment information

Information about primary segment

The Company has only one business segment i.e. Paper and Board and one geographical reportable segment i.e. Operations mainly within India. The performance is reviewed by the Board of Directors (Chief operating decision makers).

58 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

59 Notes 1 to 58 are annexed to and form an integral part of financial statements.

As per our report of even date attached

For LODHA & CO. LLP
Chartered Accountants
Firm's Registration Number 301051E/E300284

Shyamal Kumar
Partner
Membership No. 509325
Place: New Delhi / Sirpur
New Delhi, 9th May, 2025

LODHA & CO LLP
New Delhi
Chartered Accountants

For and on behalf of the Board of Directors

Pavan Kumar Suri
Director
DIN: 02189913

A S Mehta
Director
DIN: 00030694

M. Anil Kumar.

Anil Kumar Majety
Chief Financial Officer

Rajesh Tripathi
Company Secretary

THE SIRPUR PAPER MILLS LIMITED

CASH FLOW STATEMENT

Rs. in Lacs

		For the Year Ended 31-03-2025		For the Year Ended 31-03-2024	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Net Profit/ (Loss) before Tax	5,792.73		29,965.60	
	Adjustments for :				
	Depreciation and Amortisation Expenses	2,912.04		2,689.16	
	Income from Investments	-		(6.58)	
	(Profit)/ Loss on Sale of Assets (Net)	13.14		13.43	
	Dividend Income (PY Rs. Nil)	(31.52)		-	
	Finance Cost	2,324.41		2,924.51	
	Interest Income	(83.52)		(47.39)	
	Deferred Government Incentives	(200.00)		(200.00)	
	Foreign Exchange Fluctuation (Gain)/Loss	(10.44)		(5.26)	
	Assets Written off	0.40		-	
	Provision for earlier years no longer required	-		(219.04)	
	Operating Profit/(Loss) before Working Capital Changes	10,717.24		35,114.43	
	Adjustments for Working Capital Changes:				
	Trade and Other Receivables	2,222.12		(6,500.46)	
	Inventories	(2,498.50)		(980.45)	
	Trade and Other Payables	(699.54)		4,894.00	
	Cash generated from Operations	9,741.32		32,527.52	
	Taxes paid	(191.30)		(705.83)	
	Net Cash from Operating Activities		9,550.02		31,821.69
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property Plant & Equipment	(4,355.15)		(4,694.62)	
	Sale of Property Plant & Equipment	12.80		856.55	
	Sale/(Purchase) of Investments (Net)	0.01		(5,973.11)	
	ICD Given	(700.00)		-	
	Dividend Income (PY Rs. Nil)	31.52		-	
	Interest Received	42.88		64.39	
	Movement of Fixed Deposit	(8.03)		96.46	
	Net Cash from Investing Activities		(4,975.97)		(9,650.33)
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Repayment of Long-term Borrowings	(2,499.29)		(10,231.47)	
	Repayment of Inter-corporate Deposit	-		(10,000.00)	
	Proceeds/(Repayment) from Short-term Borrowings (Net)	(184.81)		105.57	
	Interest and Financial Charges	(1,759.13)		(2,427.25)	
	Payment of lease Liabilities	(98.50)		-	
	Net cash from Financing Activities		(4,541.73)		(22,553.15)
D.	Increase/(Decrease) in Cash and Cash Equivalents - Cash & Bank Balance		32.32		(381.79)
E.	Cash and Cash Equivalents as at the beginning of the period - Cash & Bank Balances		30.79		412.58
F.	Cash and Cash Equivalents as at the close of the period - Cash & Bank Balances		63.11		30.79

Notes :

		Long Term	Short Term	Long Term	Short Term
(a)	**Total Liabilities from Financing Activities**				
	Opening	28,681.85	184.81	48,320.50	79.24
	Cash Flow Changes				
	Inflow/(Repayments)	(2,597.79)	(184.81)	(20,231.47)	105.57
	Non-Cash Flow Changes				
	Foreign Exchange	-	-	99.49	-
	FCCB Conversion	-	-	-	-
	Other	5,377.30	-	493.33	-
	Closing	**31,461.36**	-	**28,681.85**	**184.81**

(b) **Previous year's figures have been re-grouped / re-arranged wherever necessary.**

As per our report of even date attached

For and on behalf of the Board of Directors

for LODHA & CO LLP
Chartered Accountants
Firm's Registration Number 301051E/E300284

Shyamal Kumar
Partner
Membership No. 509325
Place : New Delhi / Sirpur
Dated : 9th May 2025

LODHA & CO LLP New Delhi Chartered Accountants

Pavan Kumar Suri
Director
DIN: 02189913

A S Mehta
Director
DIN: 00030694

Anil Kumar Majety
Chief Financial Officer

Rajesh Tripathi
Company Secretary