

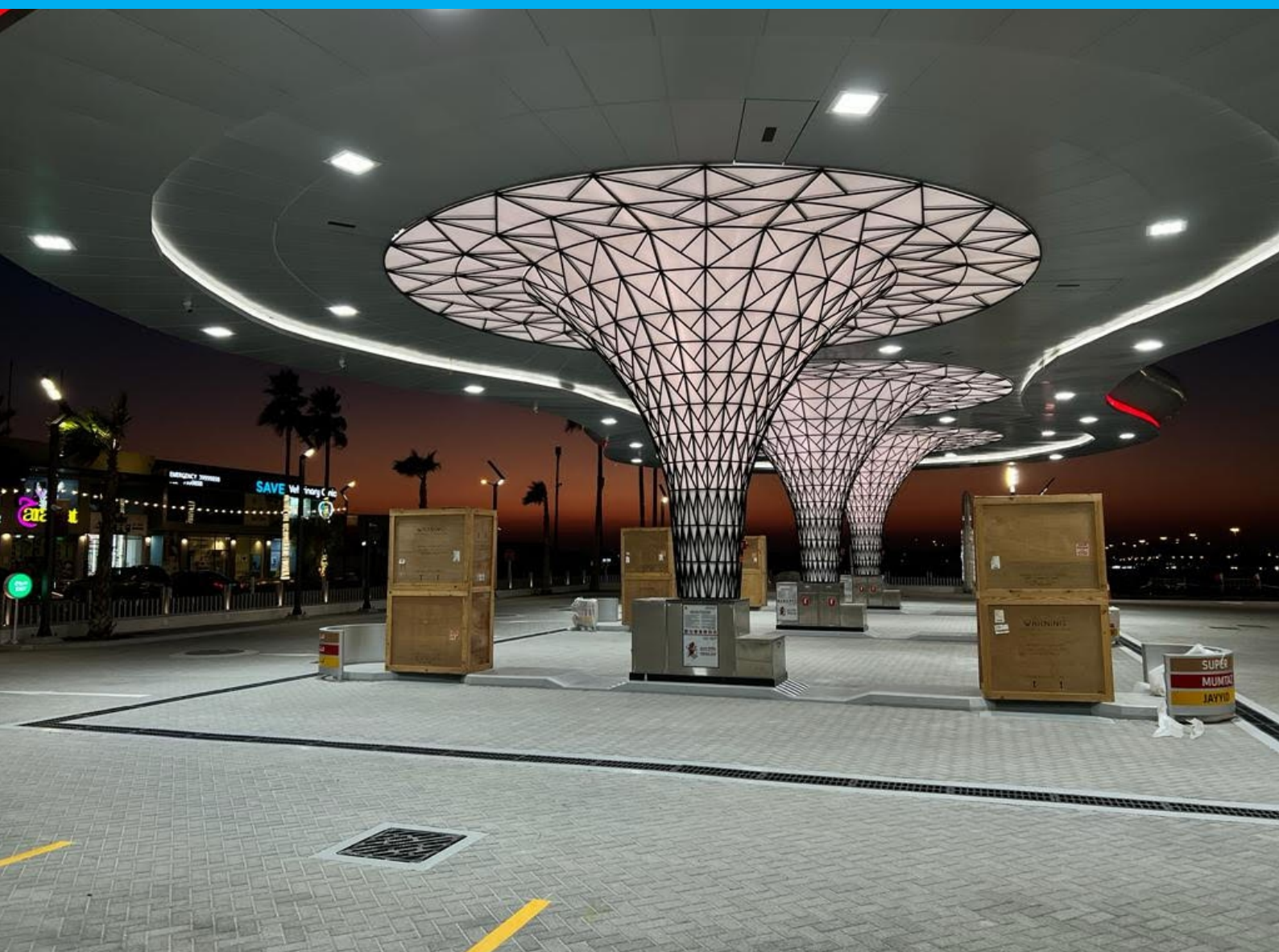
DURLAX[®]

TOP SURFACE LIMITED

ANNUAL REPORT 2023-24



“Our success is measured not just by the numbers, but by the positive impact we've made on our stakeholders and the communities we serve. Together, we look forward to building on this foundation in the year ahead.”





BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

Mr. SHRAVAN SUTHAR

DIRECTORS

Mr. NARAYAN SAMANTRA

Ms. ROXY TENIWAL (resigned w.e.f 22nd August, 2024)

Mr. ABHISHEK BANSAL (resigned w.e.f 22nd August, 2024)

Mr. BHAVESH JAIN (appointed w.e.f 22nd August, 2024)

Ms. PALAK JAIN (appointed w.e.f 22nd August, 2024)

Mr. LALIT SUTHAR Whole time Director

CHIEF FINANCIAL OFFICER

Ms. KALPANA M. NIKAM

COMPANY SECRETARY

Ms. SEJAL SOLANKI (resigned w.e.f 20th May, 2024)

Ms. KOMAL BIRLA (appointed w.e.f 20th May, 2024)

AUDITORS

M/s N K MITTAL & ASSOCIATES

BANKERS

PUNJAB NATIONAL BANK

MUMBAI DISTRICT CENTRAL CO-OPERATIVE BANK LTD

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt Ltd

CORPORATE IDENTIFICATION NUMBER

L74999MH2010PLC202712

REGISTERED OFFICE

Unit No. 1601, 16th Floor,
Synergy Business Park Premises Co-op Society Ltd,
Bhd Virwani Industrial Estate, Sahakarwadi,
Off Vishweshwar Nagar Road, Goregaon (E), Mumbai - 400 063.
Tel.: (022) 61560 000

14th ANNUAL GENERAL MEETING

On Monday, the 16th September, 2024
at 12.30 P.M. through VC/OAVM

CONTENTS

| | |
|---|----|
| Company Overview | 4 |
| Notice | 12 |
| Director's Report | 29 |
| Management Discussion & Analysis Report | 37 |
| Independent Auditor's Report | 41 |
| Financial Statements | 51 |

About the company:

We are engaged in the business of manufacturing of solid surface material, which is sold across India, through an extensive distribution network of distributors and direct customers and also exported to various countries such as USA, Mexico, Dubai, Bahrain, Greece, Nepal. We operate through two brands namely LUXOR® and ASPIRON®, which provide a wide range of solid surfaces.

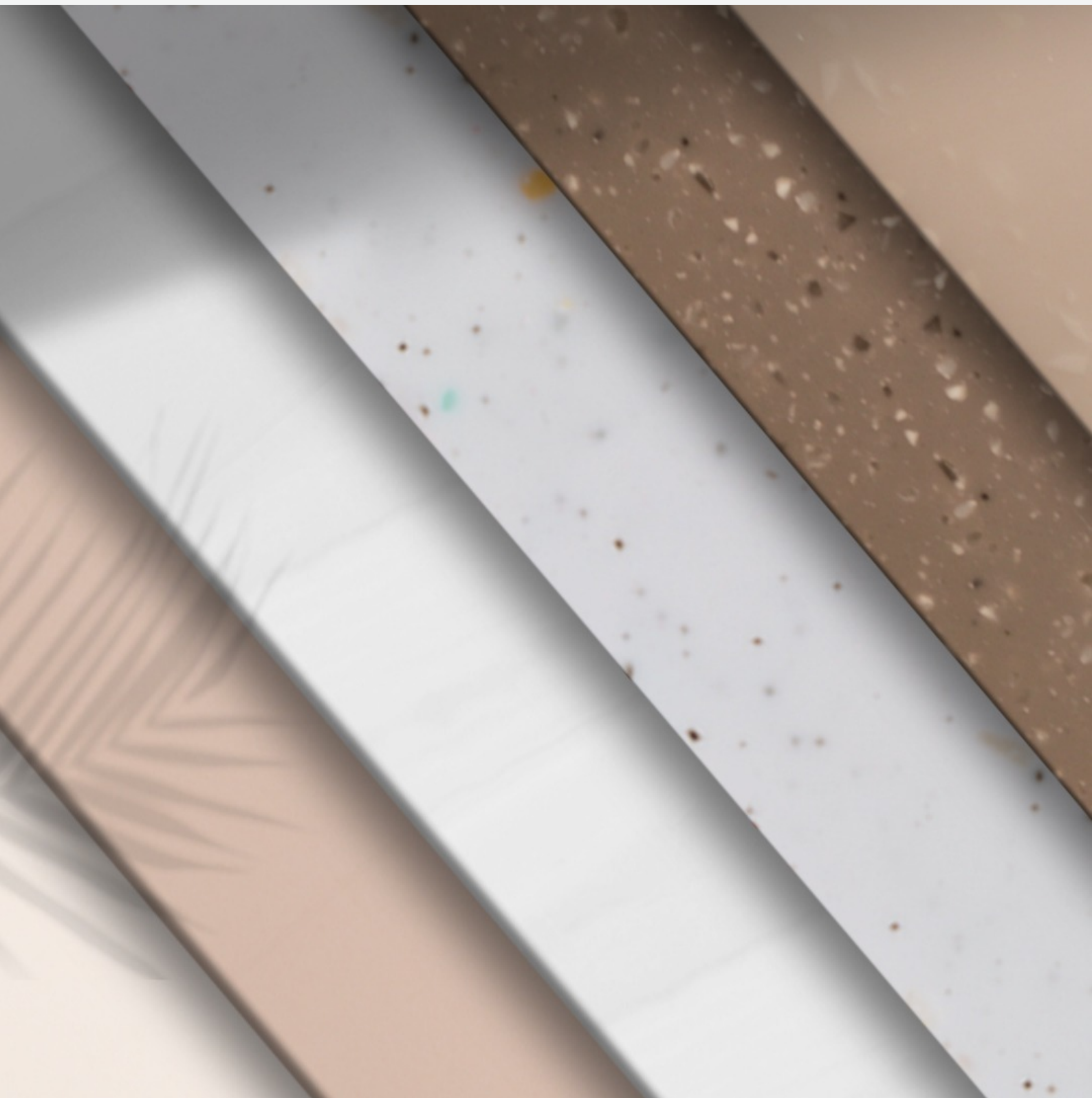


KEY EVENTS AND MILESTONES

| Year | Key Events / Milestone / Achievements |
|------|---|
| 2010 | Incorporated Private Limited Company in style of 'Durlax Archtech Private Limited' |
| 2011 | Launch of our brand 'Luxor®' and 'Aspiron®' |
| 2016 | Our annual revenues from operations crossed ₹ 30 Crores for the first time |
| | Receipt of ISO 9001:2015 certification in respect of providing sourcing, trading and supply chain services |
| | Receipt of ISO 14001:2015 certification in respect of Manufacturer and Trader of various kinds of Solid Surfaces. |
| 2017 | Established State of the Art manufacturing unit at Vapi, Gujarat. |
| | Started commercial production |
| | First time exported our product under our own brand |
| 2018 | Our annual revenues from operations crossed ₹ 40 Crores for the first time |
| 2023 | Conversion of our company from Private Limited Company to Public Limited Company. |
| 2024 | Listed on NSE Emerge Platform |

What do we do ?

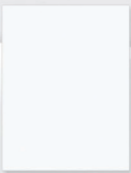
***Durlax Top Surface Limited** is engaged in the business of manufacturing of solid surface material, which is sold across India, through an extensive distribution network of distributors and direct customers and also exported to various countries such as USA, Mexico, Dubai, Qatar, Greece, Sri Lanka. Company operate through two brands namely **LUXOR®** and **ASPIRON®**, which provide a wide range of solid surfaces known for their aesthetics and performance. Our **LUXOR®** brand offers Acrylic UV Solid Surfaces, while **ASPIRON®** offers Modified Solid Surfaces.*



LUXOR™

100% ACRYLIC UV SOLID SURFACE

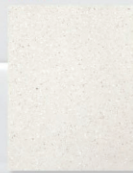
Whites



PURE WHITE
PW-101



I WHITE
IW-118



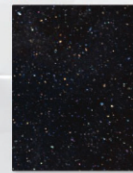
AMOR
AR-131



MOTHER OF PEARL
MP-137



VENERO WHITE
VW-146



GLITTERING BLACK
GB-147



GLITTERING GREY
GG-148

Pearl

New

New

New

New

New

Crayons**



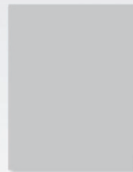
VANILLA
VN-102



SUNFLOWER
SF-121



RED HOT
RH-103



STEEL
ST-104



CLARET
CL-105



MARINE BLUE
MB-106



COFFEE BEAN
CB-107



BLACK BIRD
BB-119



SPRING GREEN
SG-120



KHAKHI
KH-126



PURPLE HEART
PH-127



STRAWBERRY WINE
SW-128



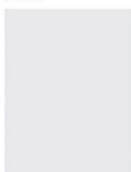
CHARCOAL
CH-129



CHERRY RED
CR-149



CAFÉ ARISTA
CA-150



MISTY GREY
MG-151



FRENCH VANILLA
FV-152

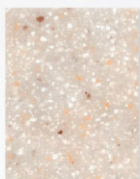


CALIFORNIA
ORANGE
CO-153

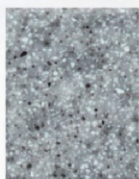


100% ACRYLIC UV SOLID SURFACE

Aspeon



ASPEON CREAM
AC-015



ASPEON GREY
AG-016

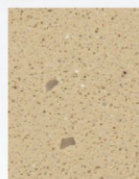


ASPEON DARK
AB-017



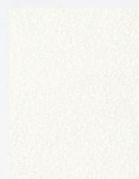
RICE PAPER
RP-122

New



RAFFIA
RF-132

New

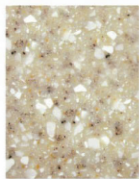


SNOW FLAKES
SF-145

Pebblon



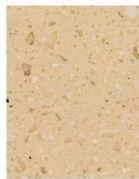
PEBBLON WHITE
PW-113



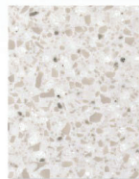
PEBBLON GOLD
PG-114



PEBBLON COCOA
PC-112

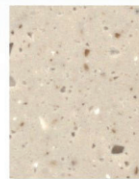


PEBBLON SPINEL
PS-123



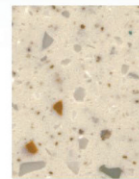
PEBBLON BIRCH
PB-125

New



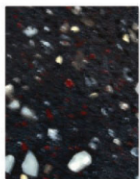
LECHE
LE-133

New



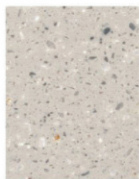
TUMBLED GLASS
TG-134

New



GRAVEL
GR-135

New



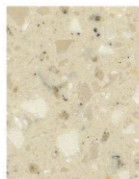
SPARROW FEATHER
SF-136

New



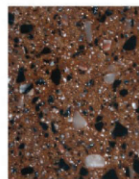
ABALONE
AB-137

New



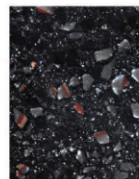
FOSSIL
FS-141

New



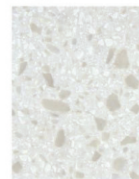
RED WALNUT
RW-154

New



GREY WALNUT
GW-155

New



PEBBLON LAGOON
PL-156





Our Infrastructure:

Durlax Top Surface Limited is leading manufacture of solid surface in India maintaining consistent international standard quality from the beginning of the process until the end.

Our Values & Goals

Our primary focus at Durlax Top Surface Ltd would always be a satisfied customer experiences. We try to understand our customers' needs like our own and deliver nothing but the best while customizing products to their needs. We have embraced sustainability as an opportunity. We support the efforts to keep our natural resources and minerals thriving while innovating and working on better ways to manufacture our products more sustainably.



NOTICE OF 14TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 14TH (FOURTEENTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF DURLAX TOP SURFACE LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 16, 2024 AT 12:30 P.M. (IST), THROUGH VIDEO CONFERENCING ("VC") /OTHER AUDIO-VISUAL MEANS("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the Financial Year ended 31st March, 2024:

To receive, consider and adopt the financial statements of the Company for the financial year ended on 31st March, 2024 including the audited Balance Sheet as on March 31, 2024 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

"RESOLVED THAT the audited financial statements of the company comprising of the Balance Sheet as at March 31, 2024, the statement of Profit & Loss and the Cash Flow Statement for the year ended on that date together with the Notes forming part thereof and Annexures thereto alongwith the Report of the Board of Directors and Auditor's, thereon, be and is hereby approved and adopted."

2. Re-appointment of Director:

To appoint a director in place of Mr. Shravan Laxmichand Suthar (DIN: 02985316), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the company be, and is hereby accorded for re-appointment of Mr. Shravan Laxmichand Suthar (DIN: 02985316), as a Managing Director, to extent that he is required to retire by rotation."

3. Regularization of Additional Independent Director, Ms. Palak Jain (DIN: 09182098) by appointing her as independent director of the Company:

To consider and, if thought fit, to pass with or without modifications, the following, resolution as Ordinary Resolution:

"RESOLVED THAT, pursuant to provision of Section 149, 150, 152 read with Schedule IV of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and upon the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company; Ms. Palak Jain (DIN: 09182098) who was appointed as an Additional Director of the company in independent Category w.e.f. from 22nd August, 2024 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting or the last date on which general meeting is to be held whichever is earlier and from whom the Company has received a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for five (5) consecutive years for the period from 22nd August, 2024 to 21st August, 2029 (both dates inclusive)."

"RESOLVED FURTHER THAT Mr. Shravan L. Suthar or Mr. Lalit L. Suthar, Directors of the Company be and are hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents and returns, e-forms for the purpose of giving effect to the aforesaid resolution."

4. Regularization of Additional Independent Director, Mr. Bhavesh Jain (DIN: 10745884) by appointing him as independent director of the Company:

To consider and, if thought fit, to pass with or without modifications, the following, resolution as Ordinary Resolution:

“RESOLVED THAT, pursuant to provision of Section 149,150,152 read with Schedule IV of the Companies Act,2013, and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and upon the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company; Mr. Bhavesh Jain (DIN: 10745884) who was appointed as an Additional Director of the company in independent Category w.e.f. from 22nd August, 2024 in terms of Section 161(1) of the Companies Act,2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting or the last date on which general meeting is to be held whichever is earlier and from whom the Company has received a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for five (5) consecutive years for the period from 22nd August, 2024 to 21st August, 2029 (both dates inclusive).”

“RESOLVED FURTHER THAT Mr. Shravan L. Suthar or Mr. Lalit L. Suthar, Directors of the Company be and are hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents and returns, e-forms for the purpose of giving effect to the aforesaid resolution.”

5. TO INCREASE OVERALL MANAGERIAL REMUNERATION PAYABLE FROM 11% OF THE NET PROFITS OF THE COMPANY:

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

RESOLVED THAT in accordance with the provisions of Section 197 of the Companies Act, 2013, (the Act) read with Schedule V of the Act and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of the Company made in its respective meetings held on August 22, 2024, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable for the financial year 2024-25, from 11% of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

6. INCREASE IN THE MANAGERIAL REMUNERATION LIMIT PAYABLE TO MR. SHRAVAN SUTHAR, MANAGING DIRECTOR OF THE COMPANY, IN EXCESS OF 5% OF THE NET PROFITS OF THE COMPANY FOR THE FINANCIAL YEAR 2024-25:

To increase the overall maximum managerial remuneration limit payable to Mr. Shravan Suthar (DIN: 02985316), Managing Director of the Company, in excess of 5% of the net profits of the Company for the financial year 2024-25; and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors; and subject to the approval of any other statutory authorities, as may be required in this regard, the approval of the members of the Company, be and is hereby accorded to increase the overall maximum managerial remuneration limit payable to Mr. Shravan Suthar (DIN: 02985316), Managing Director, for the FY 24-25, to the extent it would exceed 5% of the net profits of the Company, computed in the manner as laid down in Section 198 of the Companies Act, 2013.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 including any statutory modification(s) or reenactment(s) thereof, or any other law and Article of Association of the Company and based on the recommended by the Nomination and Remuneration Committee of the Company, the consent of the shareholders be and is hereby accorded for revision in the remuneration paid to Mr. Shravan Suthar (DIN: 02985316), Managing Director of the Company to Rs. 36,00,000/- p.a. (Rupees Thirty Six Lakhs per annum) inclusive of perquisites with liberty to the Board of Directors (after referring and approving from the Nomination and Remuneration Committee) to alter and vary the conditions of the said remuneration payable in such a manner as may be agreed to between the Board and Mr. Shravan Suthar for the remaining period of his term on the terms and conditions and remuneration set out by the Board.

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

7. INCREASE IN THE MANAGERIAL REMUNERATION LIMIT PAYABLE TO MR. LALIT SUTHAR, WHOLE-TIME DIRECTOR OF THE COMPANY, IN EXCESS OF 5% OF THE NET PROFITS OF THE COMPANY FOR THE FINANCIAL YEAR 2024-25:

To increase the overall maximum managerial remuneration limit payable to Mr. Lalit Suthar (DIN: 02985324), Whole-time Director of the Company, in excess of 5% of the net profits of the Company for the financial year 2024-25; and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors; and subject to the approval of any other statutory authorities, as may be required in this regard, the approval of the members of the Company, be and is hereby accorded to increase the overall maximum managerial remuneration limit payable to Mr. Lalit Suthar (DIN: 02985324), Whole-time Director, for the FY 24-25, to the extent it would exceed 5% of the net profits of the Company, computed in the manner as laid down in Section 198 of the Companies Act, 2013.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 including any statutory modification(s) or reenactment(s) thereof, or any other law and Article of Association of the Company and based on the recommended by the Nomination and Remuneration Committee of the Company, the consent of the shareholders be and is hereby accorded for revision in the remuneration paid to Mr. Lalit Suthar (DIN: 02985324), Whole-Time Director of the Company to Rs. 36,00,000/- p.a. (Rupees Thirty Six Lakhs per annum) inclusive of perquisites with liberty to the Board of Directors (after referring and approving from the Nomination and Remuneration Committee) to alter and vary the conditions of the said remuneration payable in such a manner as may be agreed to between the Board and Mr. Lalit Suthar remaining period of his term on the terms and conditions and remuneration set out by the Board.

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

By order of the Board of Directors
For Durlax Top Surface Limited

Sd/-
Komal Upendra Birla
Company Secretary and Compliance Officer

Registered Office:

Unit No. 1601, 16th Floor Synergy Business Park,
Premises Coop Society Ltd,
Behind Virwani Industrial estate,
Shahakarwadi Off Vishweshwar Nagar Road,
Goregaon East, Mumbai - 400063

Place : **Mumbai**

Date : **August 22, 2024**

NOTES-FORMING PART OF THE NOTICE

1. In terms of General circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') issued by the Ministry of Corporate Affairs ('MCA'), the Annual General Meeting ('AGM') is being held through Video Conferencing ('VC') facility/Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the MCA Circulars, the AGM of the Company is being held through VC/OAVM on Monday, September 16, 2024 at 12:30 P.M. (IST)
2. Details of the Directors seeking appointment /re-appointment in pursuance of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards- 2 on General Meetings, as applicable are annexed to this notice.
3. Register of members and Share Transfer Books of the Company will remain closed from Tuesday, 10th September, 2024 to Sunday, 15th September, 2024 (both days inclusive) for annual closing.
4. In terms of the MCA Circulars, the physical attendance of the Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Institutional /Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.) attending the meeting through VC/OAVM are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Compliance Officer by email through its registered email address to cs@durlaxindia.com with a copy marked to evoting@ndsl.co.in.
6. The company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. The Members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.
7. In case of joint holders, the Member whose name appears as the first holders in the order of names as per the Register of Members of the company entitled to vote during the AGM.
8. In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
9. Attention of the members is invited to the provisions of Section 124(6) of the Companies Act, 2013 with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time ("IEPF Rules"), which inter alia requires the Company to transfer the equity shares, on which the dividend has remained unpaid and unclaimed for a continuous period of seven years, to IEPF. The said Shares, once transferred to IEPF can be claimed after following due procedure prescribed under the IEPF Rules.
10. To register email address for all future correspondence and update the bank account details, please follow the below process Demat Holding: Please contact your DP and follow the process advised by your DP.
11. Since the AGM will be held through VC / OAVM, the Route Map does not form part of the Notice.
12. Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.durlax.com/>, websites of the Stock Exchanges i.e. NSE Limited at www.nseindia.com, and on the website of NSDL, www.evoting.nsdl.com.
13. All documents referred to in the accompanying notice and the explanatory statements are open for inspection by the members at the registered office of the Company on all working days during 11:00 AM to 1:00 PM. Members can request the same by sending an email to cs@durlaxindia.com till the date of the AGM.

14. Members seeking any information with regards to Financial Statements or any matters to be placed at the AGM, are requested to write to the Company on or before September 10, 2024 through email at cs@durlaxindia.com. The same will be replied by the Company suitably.
15. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request in advance at least seven days before the AGM to cs@durlaxindia.com. Members who do not wish to speak during the AGM but have queries may send their queries, mentioning the name, securities demat account number/ folio number, email id, mobile number to cs@durlaxindia.com in advance at least 7 days prior to meeting.
16. Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
17. **Voting through Electronic Means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (LODR) Regulations, 2015 (as amended) and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-voting Facility provided by Listed Entities, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

The Members, whose names appear in the Register of Members /list of Beneficial Owners as on Monday, September 09, 2024 are entitled to vote on the resolutions, set forth in this Notice. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the 'cut-off date' of Monday, September 09, 2024. Any person holding shares in physical form and non- individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut- off date i.e. Monday, September 09, 2024 may obtain the login ID and password by sending a request on cs@durlaxindia.com . However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

Mr. Rahul A Jain, Proprietor of Rahul Jain & Co., Practicing Company Secretary (ICSI M. No. A42889 and Certificate of Practice No. 23684) has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and voting at AGM, in a fair and transparent manner and he has communicated willingness to be appointed and shall be available for the same purpose.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-Voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing. The voting results along with the consolidated Scrutinizer's Report shall be submitted to the Stock Exchange i.e., NSE Limited within two working days of conclusion of the AGM by the Company.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be uploaded on the NSE Portal (NEAPS).

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the 14th Annual General Meeting i.e., Monday, September 16, 2024.

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.durlax.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 12th September, 2024 at 9:00 A.M. and ends on 15th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 09, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 09, 2024.





How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="border: 1px solid black; padding: 10px; text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div> |

| | |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

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

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csrahulajain@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Sagar S. Gudhate at evoting@nsdl.com.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@durlaxindia.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@durlaxindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER :-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@durlaxindia.com. The same will be replied by the company suitably.

**By order of the Board of Directors
For Durlax Top Surface Limited**

Sd/-
Komal Upendra Birla
Company Secretary and Compliance Officer

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 3 :**

Ms. Palak Jain (DIN: 09182098) was appointed as an Additional Director of the Company on 22nd August, 2024 in terms of Section 161(1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013. Ms. Palak Jain, an Additional Director holds the office up to the date of the ensuing Annual General Meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier.

Ms. Palak Jain (DIN: 09182098) is not disqualified from being appointed as an independent Director in terms of Section 164 of the Act and has given her consent to act as director (in the category of Independent Director).

The Board considers that her association would be of immense benefit to the company and it is desirable to avail services of Ms. Palak Jain as an independent director.

In order to ensure compliance with the provisions of Section 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Ms. Palak Jain as 'Non -executive Independent Director' for a term up to 5 (five) consecutive years commencing from 22nd August, 2024 to 21st August, 2029 (both inclusive).

Accordingly, the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution as set out in the item no. 3 of the notice for appointment of Ms. Palak Jain.

Save and except Ms. Palak Jain, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the notice.

Item No. 4:

Mr. Bhavesh Jain (DIN: 10745884) was appointed as an Additional Director of the Company on 22nd August, 2024 in terms of Section 161(1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013. Mr. Bhavesh Jain, an Additional Director holds the office up to the date of the ensuing Annual General Meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier.

Mr. Bhavesh Jain is not disqualified from being appointed as an independent Director in terms of Section 164 of the Act and has given his consent to act as director (in the category of Independent Director).

Dr. Bhavesh Jain is a well known Dentist since more than a decade and has experience in dentistry with expertise in root canal procedure, aesthetic dentistry, dental Implants and all kinds of minor surgical dental procedures. He also conducts free dental and health check-ups annually. The Board considers that his association would be of immense benefit to the company with respect to upcoming healthcare products range and hence it is desirable to avail services of Dr. Bhavesh Jain as an independent director.

In order to ensure compliance with the provisions of Section 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Bhavesh Jain as 'Non -executive Independent Director' for a term up to 5 (five) consecutive years commencing from 22nd August, 2024 to 21st August, 2029 (both inclusive).

Accordingly, the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution as set out in the item no. 4 of the notice for appointment of Mr. Bhavesh Jain.

Save and except Mr. Bhavesh Jain, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the notice.

Item No. 5:

To increase overall Managerial Remuneration payable from 11% of the Net Profits of the Company

In accordance with the provisions of Section 197 of the Companies Act, 2013, (the Act) read with Schedule V of the Act and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and

Remuneration Committee and the Board of the Company made in its respective meetings held on August 22, 2024, approval of the members of the Company to increase the overall limit of managerial remuneration payable for the financial year 2024-25, from 11% of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

Except all the directors and his relatives, none of the other Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

The Board of Directors recommends the proposal and the resolution for approval of members of the Company, as set out at Item No. 05 of the Notice.

Item No. 6 & 7:

Increase in remuneration of Mr. Shravan Suthar the Managing Director & Mr. Lalit Suthar Whole-Time Director of the Company:

They both were appointed as the Managing Director and Whole-Time Director of the Company for a period of 5 years with effect from January 07, 2023. The appointment was approved by Members of the Company by way of Special resolution dated January 07, 2023 in the Extra Ordinary General Meeting. The Company has been paying remuneration to them in accordance with the provision of the Companies Act, 2013 and same has been approved by the Members of the Company by way of Special resolution in the Extra Ordinary General Meeting dated January 07, 2023. They have been paid remuneration as per the terms of their appointment from January 07, 2023 till date.

Further on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 22, 2024, approved and accordingly recommends to the members an increase in the managerial remuneration limit in excess of 5% each of the net profits of the Company (computed in the manner as laid down in Section 198 of the Act) thereby seeking Members consent to ratify the excess amount paid to both of them during the year 2024-25.

Based on the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company in their meeting held on August 22, 2024 it was proposed to increase the remuneration of Mr. Shravan Suthar from Rs. 30,00,000 lakhs per annum to Rs.36,00,000 lakhs per annum for his remaining tenure and for Mr Lalit Suthar from Rs. 18,00,000 lakhs per annum to Rs. 36,00,000 lakhs per annum for his remaining tenure. It exceeds the limits prescribed under Section 197 of the Act. Based on the resolution passed by the Nomination and Remuneration Committee and the Board of Directors at their meetings held on August 22, 2024, the said resolution is placed before the Members for their approval.

Additional information in respect of both the Directors, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

Except Mr. Shravan Suthar and Mr. Lalit Suthar and their relatives, none of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution. Both Directors are not related to any other Director or Key Managerial Personnel of the Company or relatives of the Directors or Key Managerial Personnel.

The Board of Directors recommends the proposal and the resolution for approval of members of the Company, as set out at Item No. 06 & 07 of the Notice.

ANNEXURE TO NOTICE:
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Pursuant to Secretarial Standard 2 issued by the Institute of Companies Secretaries of India

| Name of Director | Mr. Shravan Suthar | Mr. Lalit Suthar | Ms. Palak Jain | Mr. Bhavesh Jain |
|--|---|--|--|--|
| Category | Managing Director | Whole - Time Director | Independent Director | Independent Director |
| DIN | 02985316 | 02985324 | 09182098 | 10745884 |
| Date of Birth | 15/12/1980 | 16/07/1984 | 02/06/1992 | 29/07/1985 |
| Age | 43 | 40 | 32 | 39 |
| Qualification | Diploma in Construction Technology & certified course in interior design and decoration | Certified course in interior design and decoration | Bachelor of Engineer in computer science | Bachelor of dental surgeon |
| Date of First Appointment on the Board | 03/05/2010 | 03/05/2010 | 22/08/2024 | 22/08/2024 |
| Expertise in specific functional area | He has an experience of over 20 years in the field of Solid Surface Industry. | He has an experience of over 18 years in the field of Solid Surface Industry with respect to sales strategy, territory management and lead generation. | She is having experience of more than 10 years in IT field. She has rich experience in mobile and web application. She worked as full stack developer with various programming languages and software development. | Dr. Bhavesh Jain is having 12 years of rich experience in dentistry with expertise in root canal procedure, aesthetic dentistry, dental implants and all kinds of minor surgical dental procedures |
| Terms & Conditions of Appointment/ Reappointment | As per the resolution at item No. 2 & 6 of the notice convening this meeting, Mr. Shravan Suthar is liable to retire by rotation at the meeting and eligible for re-appointment | As per the resolution at item No. 7 of the notice convening this meeting. | As per the resolution at item No 3 of the notice convening this meeting, Ms. Palak Jain is proposed to be Appointment as Independent Director | As per the resolution at item No 4 of the notice convening this meeting, Mr. Bhavesh Jain is proposed to be Appointment as Independent |
| Remuneration last drawn | Rs. 30,00,000 p.a. | Rs. 18,00,000 p.a. | NIL | NIL |
| Remuneration proposed | Rs. 36,00,000 p.a. | Rs. 36,00,000 p.a. | Sitting Fees as approved by the Board of Directors | Sitting Fees as approved by the Board of Directors |

| | | | | |
|---|--|--|--|--|
| Relationship with Directors/ Key managerial Personnel | He is brother of Mr. Lalit L. Suthar - Whole-time Director | He is brother of Mr. Shravan L. Suthar - Managing Director | Ms. Palak Jain is not related to any Director. | Mr. Bhavesh Jain is not related to any Director. |
| List of Companies in which directorship is held as on 31st March, 2024 | 1 | 1 | 1 | 0 |
| Listed entities from which the Director has resigned from Directorship in last 3(three) years | NIL | NIL | NIL | NIL |
| No. of Meetings of the Board Attended during the year | 17 | 17 | NA | NA |
| No. of Shares held | 6501399 | 1813129 | NA | NA |

**By order of the Board of Directors
For Durlax Top Surface Limited**

Sd/-
Komal Upendra Birla
Company Secretary and Compliance Officer

DIRECTORS' REPORT

- 1) Your Directors are pleased to present the Fourteenth (14th) Annual Report together with the Audited Financial Statements for the year ended 31st March, 2024.

| 2) <u>Financial Results</u> | <i>For the year ended on 31.3.2024</i> | <i>For the year ended on 31.3.2023</i> |
|------------------------------------|---|---|
| | <i>(Rs. in lacs)</i> | <i>(Rs. in lacs)</i> |
| Revenue from Operations | 9076.42 | 6673.83 |
| Other Income | 7.51 | 10.37 |
| Total Revenue | 9083.93 | 6684.20 |
| Less: Interest | 378.59 | 343.88 |
| : Depreciation | 223.77 | 160.73 |
| : Other Expenses | 7972.90 | 5892.15 |
| : Prior period expense | 96.40 | - |
| Profit before Tax | 412.28 | 287.44 |
| Less: Current Tax | 13.00 | - |
| : Deferred Tax | -0.06 | 24.86 |
| Profit after Tax | 399.34 | 262.59 |
| EPS | 3.21 | 2.20 |

3) **DIVIDEND:**

Your Directors have retained the reserves and surplus as they have plans for expansion and diversification of Business. The Company is in the growth stage and so it is better to retain its Reserves and Surplus and reinvest to support the expansion and diversification plans.

4) **OPERATIONAL HIGHLIGHTS:**

The Company earned operational income of Rs. 9076.42 lacs compared to Rs. 6673.83 lacs for the previous year. The other income is Rs. 7.51 lacs compared to Rs. 10.37 lacs in the previous year. The revenue increased by 36% during the year.

5) **CHANGES IN THE NATURE OF BUSINESS, IF ANY:**

During the year the Company is in the business of manufacturing solid surface material. There is no change in nature of the business of the Company. The Company has its registered office at Mumbai.

The Company vide Prospectus dated June 11, 2024 issued its securities via Initial Public Offering and on June 26, 2024 the Company's Securities were listed on NSE Emerge Platform.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as under:

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) The Company has taken all effective steps to conserve the energy by installing latest equipment's for conservation of energy. As a stand-by arrangement in case of no supply of electricity, the Company has installed generator set.
- (ii) The cumulative effect of the Energy conversations steps taken by the Company has considerably reduced the consumption of Energy and saved the cost.

(iii) The Company's per unit consumption of Electricity is as follows:

| Particulars | 2023-24 | 2022-23 |
|--------------------------------------|-----------------|-----------------|
| Total Units Consumed | 581187 | 529830 |
| Total amount of Electricity consumed | Rs. 58,70,691/- | Rs. 50,63,726/- |

(B) Technology absorption:

- (i) Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: During the year, the Company has not taken any technical knowhow from anyone and hence not applicable.
- (ii) Expenditure incurred on Research and Development:

The Company has not incurred any expenditure on research and development.

(C) Foreign exchange earnings and Outgo:

| Particulars | Amt (in Rs.) |
|--|---------------|
| Foreign Exchange earned in terms of actual inflows during the year | 4,07,81,593/- |
| Foreign Exchange outgo during the year in terms of actual outflows | 3,46,11,955/- |

7) RISK MANAGEMENT POLICY:

The Company has a structured Risk Management policy. The Risk Management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are integrated with the management process such that they receive the necessary consideration during decision making.

8) CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company.

9) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are given in the notes to financial statements.

10) RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions during the year, which may have potential conflict with the interest of the company at large. The details of the transactions with the related parties are disclosed in the notes to Financial Statements.

11) DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Rules framed thereunder, Mr. SHRAVAN LAXMICHAND SUTHAR (holding DIN: 02985316) Managing Director of the Company retire by rotation at the forthcoming Annual General Meeting and he being eligible, offers himself for reappointment.

Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

1. Mr. Shravan Suthar, Managing Director (DIN : 02985316)
2. Mr. Lalit Suthar, Whole Time Director (DIN : 02985324)
3. Ms. Kalpana Nikam, Chief Financial Officer
4. Ms. Sejal Solanki, Company Secretary resigned on 20th May, 2024 and she has been replaced by Ms. Komal Birla, Company Secretary appointed on 20th May, 2024.

Independent Directors

1. Ms. ROXY TENIWAL (DIN: 09801276) (resigned w.e.f 22nd August, 2024)
2. Mr. ABHISHEK BANSAL (DIN: 09790993) (resigned w.e.f 22nd August, 2024)
3. Mr. BHAVESH JAIN (DIN: 10745884) (appointed w.e.f 22nd August, 2024)
4. Ms. PALAK JAIN (DIN: 09182098) (appointed w.e.f 22nd August, 2024)

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried the evaluation of its own performance, Individual Directors, its Committees, including the Chairman of the Board on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

The performance of each of the non-independent directors (including the Chairman) was also evaluated by the Independent Directors at the separate meeting held of Independent Directors of the Company.

REMUNERATION POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for Determining, Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management.

DECLARATION BY INDEPENDENT DIRECTORS:

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

12) NUMBER OF MEETING OF BOARD OF DIRECTORS:

During the year 17 (Seventeen) Board Meetings and were convened and held on 07/04/2023, 13/04/2023, 14/04/2023, 22/06/2023, 26/06/2023 04/07/2023, 01/09/2023, 18/09/2023, 19/09/2023, 25/03/2023, 30/09/2023, 23/12/2023, 05/03/2024, 11/03/2024, 13/03/2024, 14/03/2024 and 20/03/2024. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| Name of the Director | Category of the Director | No of Board Meeting Attended |
|----------------------|--------------------------|------------------------------|
| Mr. SHRAVAN SUTHAR | Managing Director | 17/17 |
| Mr. LALIT SUTHAR | Whole-time Director | 17/17 |
| Mr. NARAYAN SAMANTRA | Independent Director | 17/17 |
| Ms. ROXY TENIWAL | Independent Director | 17/17 |
| Mr. ABHISHEK BANSAL | Independent Director | 17/17 |

Disclosure on the compliance of Secretarial Standards:

The Directors confirm to the best of their knowledge and belief that the Company has complied with the applicable provisions of Secretarial Standards on the Meeting of the Board of Directors issued by the Institute of Company Secretaries of India.

13) AUDIT COMMITTEE:

During the year, the Audit Committee met 4 (Four) times on 30/06/2023, 25/09/2023, 30/12/2023 and 30/03/2024. The Board has accepted all recommendations of Audit Committee and accordingly, no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

| Name of the Director | Position in the Committee | Category of Director | No of Meeting Attended |
|----------------------|---------------------------|------------------------------------|------------------------|
| Mr. NARAYAN SAMANTRA | Chairman | Non-Executive Independent Director | 4/4 |
| Ms. ROXY TENIWAL | Member | Non-Executive Independent Director | 4/4 |
| Mr. SHRAVAN SUTHAR | Member | Managing Director | 4/4 |

14) SHAREHOLDERS RELATIONSHIP COMMITTEE:

The Committee, inter alia, started overseeing and reviewing all matters connected with the shares and looks into shareholders complaints.

During the year, the Shareholders Relationship Committee met 1 (One) time on 30/09/2023.

| Name of the Director | Position in the Committee | Category of Director | No of Meeting Attended |
|----------------------|---------------------------|------------------------------------|------------------------|
| Mr. NARAYAN AMANTRA | Chairman | Non-Executive Independent Director | 1/1 |
| Ms. ROXY TENIWAL | Member | Non-Executive Independent Director | 1/1 |
| Mr. Abhishek Bansal | Member | Non-Executive Independent Director | 1/1 |

15) NOMINATION AND REMUNERATION COMMITTEE:

The Committee met only once on 30/09/2023 during the year.

| Name of the Director | Position in the Committee | Category of Director | No of Meeting Attended |
|----------------------|---------------------------|------------------------------------|------------------------|
| Mr. NARAYAN SAMANTRA | Chairman | Non-Executive Independent Director | 1/1 |
| Ms. ROXY TENIWAL | Member | Non-Executive Independent Director | 1/1 |
| Mr. Abhishek Bansal | Member | Non-Executive Independent Director | 1/1 |

16) DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17) ANNUAL RETURN:

The Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is placed at the website of the Company.

18) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

19) DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review.

20) AUDITORS:**♦ STATUTORY AUDITORS:**

M/s N K Mittal & Associates., Chartered Accountants, Mumbai were appointed as the statutory auditors of the Company at the 13th Annual General Meeting of the Company to hold office till Eighteenth Annual General Meeting to be held in the year 2028. As required under Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

♦ SECRETARIAL AUDIT:

Secretarial Audit is not applicable for financial year ended 31st March, 2024 as the Company was a public company as on 31st March, 2024 & the Company does not fall into the criteria mentioned under section 204 of Companies Act, 2013.

21) OBSERVATION OF AUDITORS:

There are no qualifications, reservations or adverse remarks made by the Auditors. The other observations of the auditors are self-explanatory and do not call for further information.

22) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal management of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

23) SHARES:**a. BUY BACK OF SECURITIES:**

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES:

The Company has issued Bonus Shares to its existing shareholders in the ratio of 78:1 on 26th December, 2022.

d. EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the employees.

e. FRESH ISSUE OF SHARES:

The Company has made a Preferential Allotment of 5,92,000 Equity Shares having a face value of Rs. 10/- each fully paid up for the cash at a price of Rs. 30/- per equity share (including a share premium of Rs.20/- per equity shares) aggregating to Rs. 177.60 lakhs as detailed below: 07th January 2023 - 400000 equity shares, 27th February 2023 – 104000 equity shares, 17th March 2023 - 61000 equity shares and 13th April, 2023 – 27000 equity shares.

24) CORPORATE GOVERNANCE REPORT:

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company notified by Securities and Exchange Board of India vide notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015, hence the same has not been annexed to the Board's Report.

25) MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is appended as Annexure - I to this Report.

26) PARTICULARS OF EMPLOYEES:

The ratio remuneration of each director Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. Company Your Directors Remuneration (including commission and variable pay) to the median remuneration of the employees of your company for the year 2023-24 was as under:

| Name of Director | Designation | Ratio of remuneration of each Director to the Median employee's Remuneration |
|--------------------|---------------------|--|
| Mr. Shravan Suthar | Managing Director | 15.85 |
| Mr. Lalit Suthar | Whole Time Director | 9.51 |

- ii. The percentage increase in the remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary, if any in the financial year:

| Name | Designation | Increase/(Decrease) (%) |
|--------------------|-------------------------|-------------------------|
| Mr. Shravan Suthar | Managing Director | No change |
| Mr. Lalit Suthar | Whole Time Director | No change |
| Ms. Kalpana Nikam | Chief Financial Officer | NA |
| Ms. Sejal Solanki | Company Secretary | NA |

- iii. The percentage decrease in the median remuneration of employees in the financial year: **7.21%**
- iv. The number of permanent employees on the rolls of the Company as on 31.03.2024: **88**
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **10% increase in salaries of some of the Employees and nil increase in Managerial Remuneration of Directors during F.Y. 2023-24.**
- vi. Affirmation that the remuneration is as per the remuneration policy of the company. The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through the compensation package, the company endeavors to attract, retain, develop and motivate high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay: **The Company affirms that the remuneration is as per remuneration policy of the Company.**
- vii. Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with reference to remuneration of employees in excess of the limits prescribed – **None of the employees were in receipt of remuneration above 8 lakh 50 thousand per month or Rs. One crore Two lakhs per annum and above.**

27) COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014, the activity of our Company falls under Non-regulated sectors and hence, cost audit is not applicable to the Company for the Financial Year 2023-24.

28) MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THE REPORT:

Since the closure of the Financial Year i.e., since March 31, 2024, the Company vide Prospectus dated June 11, 2024 issued its securities via Initial Public Offering and the Company got listed on NSE Emerge stock exchange on June 26, 2024. Therefore, the Company now being a Listed Company the Financial Position of the Company is varied.

29) HUMAN RESOURCES:

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance. During the year, Company has adopted Human Rights Policy Statement to express Company's commitment to do business with ethical values and embrace practices that supports human rights, and labour laws on a continuous basis. During the Lockdown period caused by the global pandemic, Company promptly responded and adopted the Work from Home Policy and ensured timely payment of monthly remuneration to its employees. After the initiation of operations, proper care is taken to provide safe and healthy work environment to employees by providing regular health checkups, thermal screening and regular sanitization of work place.

30) POLICY RELATING TO ANTI SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has placed a Policy to treat women employees with dignity and no discrimination against them plus zero tolerance toward any sexual abuse – to abide by letter and spirit requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under and redressal of complaints of sexual harassment at work place. All employees (permanent, contractual, temporary, trainees) are supposed to adhere to the conduct themselves as prescribed in this policy. During the year under review, no complaint was reported to the Board.

31) DETAILS OF SIGNIFICANT & MATERIAL ORDERS IMPACTING THE GOING CONCERN STATUS/ COMPANY'S OPERATIONS IN FUTURE:

No significant, material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company or Company's operations in future.

32) PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading pursuant to new SEBI (Prohibition & Insider Trading) Regulation 2015 in place of SEBI (Prohibition & Insider Trading) Regulation 1992 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

33) COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

34) DETAILS OF APPLICATION UNDER THE IBC, 2016 DURING THE YEAR ALONG WITH THEIR STATUS:

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

35) DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OF FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

36) CAUTIONARY STATEMENT:

Statements in these reports describing company's projection statements, expectations and hopes are forward looking statements. Though, these are based on reasonable assumption, the actual results may differ.

37) ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Shravan Suthar
Managing Director
DIN: 02985316

Lalit Suthar
Whole-time Director
DIN: 02985324

Mumbai, 22nd August, 2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OVERVIEW OF BUSINESS:

We are engaged in the business of manufacturing of solid surface material, which is sold across India, through an extensive distribution network of distributors and direct customers and also exported to various countries such as Dubai, Bahrain, Greece, Nepal. We operate through two brands namely LUXOR® and ASPIRON®, which provide a wide range of solid surfaces. Our LUXOR® brand offers Acrylic UV Solid Surfaces, while ASPIRON® offers Modified Solid Surfaces.

Situated in Vapi, our manufacturing facility is equipped with German and South Korean technologies and advanced machinery to produce solid surface materials. We aim to meet the ever-evolving demands of our customers and create functional spaces across various sectors.



Our solid surfaces find applications in residential, commercial, hospitality, healthcare, exterior, and diverse industries, providing stylish and durable solutions for countertops, vanities, offices, retail spaces, hotels, hospitals, outdoor projects, and more.

2. OVERVIEW OF THE INDUSTRY:

Global Outlook:

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024. Compared to the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita which often happens when there is a global recession is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent. The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation- especially in advanced economies as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging markets and developing economies, growth is estimated to have bottomed out in 2022. Following the path of global demand, world trade growth is expected to decline in 2023 to 2.4 percent, despite an easing of supply bottlenecks, before rising to 3.4 percent in 2024.

For advanced economies, growth is projected to decline sharply from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024, with a downward revision of 0.2 percentage point for 2024. About 90 percent of advanced economies are projected to see a decline in growth in 2023.

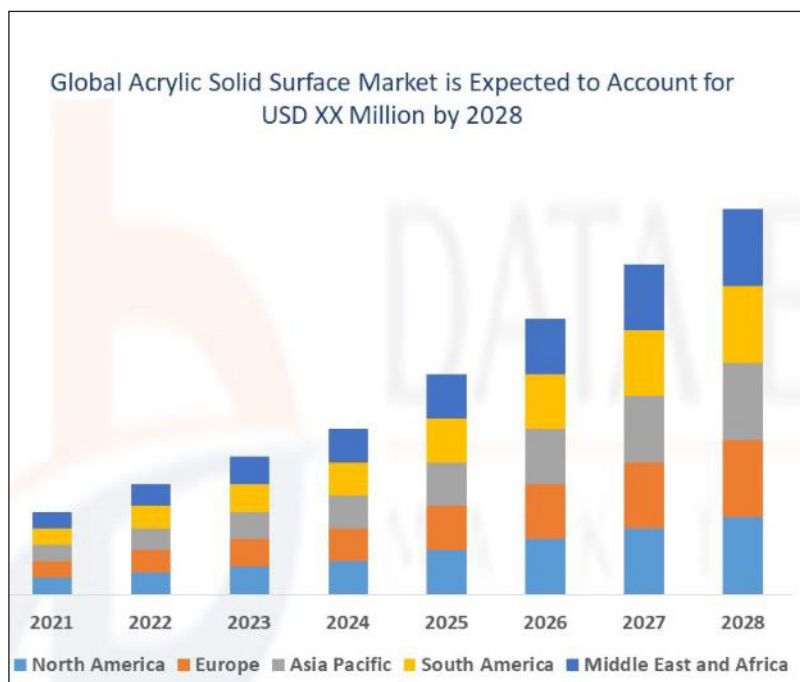
For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging markets and developing economies have lower growth in 2023 than in 2022.

INDIAN OUTLOOK:

India was one of the fastest growing economies in the world with real GDP growing 7.7 percent year-on-year during Q1-Q3 fiscal year 2022-23 (April-March, FY22-23). Growth was underpinned by robust domestic demand- strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners. While the overall growth momentum remains robust and real GDP growth for FY22-23 is estimated to be 6.9 percent, there were signs of moderation in Q3 as growth slowed to 4.4 percent year-on-year (y-o-y). There was also a change in the composition of domestic demand in Q3 FY22-23 with a lower share from government consumption as fiscal consolidation efforts continued. Estimates suggest that the pandemic induced a spike in extreme poverty (\$2.15), of up to 4 percentage points, moderated in FY21-22.

Global Solid Surfaces Industry

Global Acrylic Solid Surface Market, By Product Type (Casting Molding Solid Surface, Extrusion Molding Solid Surface), Application (Commercial, Residential), Country (U.S., Canada, Mexico, Brazil, Argentina, Rest of South America, Germany, France, Italy, U.K., Belgium, Spain, Russia, Turkey, Netherlands, Switzerland, Rest of Europe, Japan, China, India, South Korea, Australia, Singapore, Malaysia, Thailand, Indonesia, Philippines, Rest of Asia-Pacific, U.A.E, Saudi Arabia, Egypt, South Africa, Israel, Rest of Middle East and Africa) Industry Trends and Forecast to 2028:



Market Analysis and Insights : Global Acrylic Solid Surface Market

The acrylic solid surface market will grow at a rate of 3.55% for the forecast period of 2021 to 2028. Rise in the construction on a global-scale, both in the residential and commercial sectors is a vital factor driving the growth of acrylic solid surface market.

Indian Solid Surfaces Industry:

Countertops Market Analysis

The market value of the market studied is set to rise in the forecast period due to an increasing preference for higher-priced kitchen counter-top materials rather than laminates. The ongoing strong advances in developing markets, such as China, India, and Brazil, are further propelling the demand for countertops.

Asia-Pacific Region to be the Fastest Growing Market

The Asia-Pacific region was one of the largest markets for Countertops the Asia-Pacific region is anticipated to witness further growth in the sale of Countertops in the forecast period primarily in developing economies such as India and China.

3. OPERATING RESULTS OF THE COMPANY:

The revenue from operations of your Company for the year ended March 31, 2024 stood at Rs. 9076.42 lakhs as against Rs. 6673.83 lakhs for the year ended March 31, 2023. The Company has incurred a profit of Rs. 399.34 lakhs for the Year ended March 31, 2024 as compared to Rs. 262.59 lakhs for the year ended March 31, 2023. The revenue and net profit increased by 36% and 52% respectively.

4. STRENGTHS:

- Focusing on multiple end-user industries
- Wide and diverse range of product offerings
- Experienced promoters and management team with industry knowledge and an established track record
- Diversified distribution network across India catering to customers.

5. COMPETITION:

We compete in laminates, vinier and artificial counter top stone industry on the basis of the quality of our products, price, and distribution. The industry in which we operate is highly competitive. Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of raw materials, brand recognition and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the global natural and engineered stone industry as compared with us. Competitive conditions may cause us to incur lower net selling prices and reduce gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance.

6. PROSPECT & OUTLOOK:

The management is of the view that the future prospects of your Company are bright and the performance in the current year is expected to be very well. The committed customers of the Company are expected to place more orders, which ultimately affect the top line of the Company, positively.

7. RISKS AND CONCERNS:

The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

8. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

There are well-established procedures for Internal Controls for operations of the Company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The Company has constituted Audit Committee for guidance and proper control of affairs of the Company.

9. HUMAN RESOURCES:

Human capital has always been the most important and valuable asset to the Company. Our Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Trainings are imparted to workmen in various new techniques and systems.

10. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

For and on behalf of the Board of Directors

Shravan Suthar
Managing Director
DIN: 02985316

Lalit Suthar
Whole-time Director
DIN: 02985324

Mumbai, 22nd August, 2024

To the Members of
Durlax Top Surface Limited
(Formerly known as Durlax India Private Limited)

Report on the Audit of the Financial Statements

Opinion:

We have audited the Financial Statements of Durlax Top Surface Limited (Formerly known as Durlax India Private Limited) ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2024, and its Profit, 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 Companies Act, 2013. 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 Companies Act, 2013 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.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, 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.

Responsibilities 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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

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

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

A further description of our responsibilities for the audit of the financial statements is included in "**Annexure A**" to this auditor's report. Such description forms integral part of this report.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is given as per **Annexure "B"**.
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.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, is given as per **Annexure "C"**
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as on 31st March, 2024.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on our audit procedures, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) contain any material mis-statements
- vii. The company has not declared or paid any dividend during the year.
- viii. Based on our examination which included test checks, the company has used accounting software's for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transaction recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- ix. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. During the year company has paid remuneration in excess of the limits prescribed under section 197 with the approval of the members by passing special resolution at the EGM dated 28th February 2023. The MCA has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

N K Mittal & Associates

Chartered Accountants

Firm Registration Number : 113281W

CA (Dr.) N K Mittal

Partner

Membership No. 046785

UDIN: 24046785BKAOOM5777

Place: Mumbai

Date: 29th May, 2024

Annexure A to Independent Auditor's report:

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

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

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

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

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

“Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 9 of the Independent Auditor’s Report of even date to the members of **Durlax Top Surface Limited (Formerly Known as Durlax India Priavte Limited)** on the financial statement as of and for the period ended 31st March 2024.

- (1) (a) (A) In our Opinion and according to the information given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment.
 (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) In our Opinion and according to the information given to us, the Property, Plant & Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) In our Opinion and according to the information given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property during the year, hence 3(i) (c) is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- (2) (a) According to the information given to us, the inventories have been physically verified by the management during the current year at reasonable intervals. Discrepancies noticed on physical verification of Inventories as compared to book records were not materials and have been properly dealt with in the books of accounts.
- (b) The Company has been sanctioned working capital limits in excess of INR 5 Crore in aggregate from the bank during any point of time of the year on the basis of security of stocks and book debts.
- (3) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments and has granted loans or advances in the nature of loans, unsecured, to other parties during the year, in respect of which the requisite information is as below. The Company has not made any investments and has not granted any loans or advances in the nature of loans, unsecured, to companies, firms or limited liability partnerships during the year. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured, to companies, firms, limited liability partnerships or any other parties during the year.
 - (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not given any loans or advances in the nature of loans or stood guarantee or provided security to subsidiaries. The Company does not hold any investment in any joint ventures or associates.
 - (b) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given unsecured loans and unsecured advances in the nature of loans to parties other than subsidiaries as listed below. The Company has not stood guarantee or provided security to parties other than subsidiaries.

(₹. in Lacs)

| Particulars | Advances in the nature of loans |
|---|---------------------------------|
| Aggregate amount granted/ provided during the year | |
| - Related | 60.00 |
| - Others | 11.93 |
| Balance outstanding as at balance sheet date in respect of such cases | |
| - All Parties | 13.95 |

- d) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided to the related party of the Company are not prejudicial to the Company's interest.
- e) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of the interest free loans and advances in the nature of loans given, the schedule of repayment of principal have not been stipulated and the repayments or receipts have been regular.
- f) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that no amount is overdue for more than ninety days except for amounts of ₹ 8.98 lakhs details of which are given hereunder.

(₹ in Lacs)

| No of Cases | Principal overdues | Interest overdues | Total overdues | Remarks, if any |
|-------------|--------------------|-------------------|----------------|-----------------|
| 02 | 8.98 | - | 8.98 | Principal |
| Total | 8.98 | - | 8.98 | |

- g) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- h) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except as under:

(₹ in Lacs)

| Particulars | All Parties | Promoters | Related Party |
|---|-------------|-----------|---------------|
| Aggregate amount of loans/ advances in nature of Loans | - | - | - |
| - Repayable on demands (A) | 13.95 | - | - |
| Aggregate does not specify any terms or period of repayment (B) | - | - | - |
| Total (A+B) | 13.95 | - | - |
| Percentage of Loans/ advances | 100% | - | - |

- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (5) In our Opinion and according to the information and explanation given to us, the company has not accepted any deposit from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (6) 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 sub-section (1) of Section 148 of the Act.

In respect of Company Products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (7) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been generally regular in depositing undisputed statutory dues, including Income-tax, Service tax, Cess and other material statutory dues, as applicable, with the appropriate authorities. As explained to us, the company did not have any dues on account of Provident fund, ESIC, Sales Tax, Custom Duty and excise duty.

According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31st, 2024 for a period of more than six months from the date on when they become payable.

| Name of Statute | Nature of Dues | Amount (INR in lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|-----------------------------|-----------------------|------------------------------|---|--|
| Income Tax Act, 1961 | Income Tax | 1647.79 | FY 2017-18 | Commissioner of Income Tax Appeal |
| Central Sales Tax Act, 1956 | CST | 51.44 | FY 2016-17 & Q1 of FY 2017-18 | Department of Trade and Taxes NCT Delhi (DVAT) |

- (8) According to the information and explanations given to us and to the best of our knowledge and belief there are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (9) a) As per the information and explanation given to us and based on examination of records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which the loans were obtained.
- d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and audit procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (10) a) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) As per the information and explanation given to us and based on examination of records of the company, the company has made a preferential allotment of 27,000 equity shares having face value of Rs. 10/- each fully paid up for the cash at a price of Rs. 30/- per equity share (including a share premium of Rs. 20/- per equity shares) aggregating to Rs. 8.10 lakhs held at Board Meeting at 13th April 2023.
- (11) a) As per the information and explanation given to us and based on examination of records of the company, no fraud by the company nor any fraud on the company has been noticed or reported during the year.
- b) As per the information and explanation given to us and based on examination of records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.
- c) As per the information and explanation given to us and based on examination of records of the company, no whistle-blower complaints have been received
- 12) As per the information and explanation given to us and based on examination of records of the company, the Company is not a Nidhi Company hence, reporting under clause xii of the Order not applicable.

- 13) As per the information and explanation given to us and based on examination of records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where ever applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- 14) As per section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, Company is not required to appoint any internal auditor, hence the clause is not applicable
- 15) As per the information and explanation given to us and based on examination of records of the company, the company hasnot entered into any non-cash transactions with Directors nor persons connected with them. The provisions of section 192 of Companies Act have been complied.
- 16) a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) a, b and c of the Order is not applicable.
- b) In our opinion, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause3(xvi)(d) of the Order is not applicable.
- 17) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 18) There has been no resignation of the Statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) a) As per the information and explanation given to us and based on examination of records of the company, Schedule VII to the Companies Act is not applicable to the Company.
- b) As per the information and explanation given to us and based on examination of records of the company, subsection (5) and sub-section (6) of section 135 of the Companies Act are not applicable to the Company
- 21) In our opinion and according to the information and explanations given to us, the company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3(xxi) of the Order is not applicable.

N K Mittal & Associates

Chartered Accountants

Firm Registration Number : 113281W

CA (Dr.) N K Mittal

Partner

Membership No. 046785

UDIN: 24046785BKAOOM5777

Place: Mumbai

Date: 29th May, 2024

ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the Members of **Durlax Top Surface Limited** (formerly known as Durlax India Private Limited) of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Durlax Top Surface Limited** (Formerly Known as Durlax India Private Limited) (the “Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the ICAI and the standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial 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 ICAI.

N K Mittal & Associates

Chartered Accountants

Firm Registration Number : 113281W

CA (Dr.) N K Mittal

Partner

Membership No. 046785

UDIN: 24046785BKAOOM5777

Place: Mumbai

Date: 29th May, 2024

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

| | Particulars | Note No. | As at 31 March, 2024 | As at 31 March, 2023 |
|-----------|--|----------|----------------------|----------------------|
| I | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | (a) Share capital | 2 | 1,242.77 | 1,240.07 |
| | (b) Reserves and surplus | 3 | 919.99 | 515.25 |
| | (c) Money received against share warrants | | | |
| | | | 2,162.76 | 1,755.32 |
| 2 | Share application money pending allotment | | | |
| 3 | Non-current liabilities | | | |
| | (a) Long-term borrowings | 4 | 2,070.88 | 1,732.91 |
| | (b) Deferred tax liabilities (net) | 5 | 74.86 | 74.92 |
| | (c) Other long-term liabilities | 6 | - | 3.17 |
| | (d) Long-term provisions | 7 | - | - |
| | | | 2,145.74 | 1,810.99 |
| 4 | Current liabilities | | | |
| | (a) Short-term borrowings | 8 | 3,999.83 | 1,958.02 |
| | (b) Trade payables | 9 | 2,141.07 | 2,082.10 |
| | (c) Other current liabilities | 10 | 92.79 | 175.60 |
| | (d) Short-term provisions | 11 | 11.32 | - |
| | | | 6,245.01 | 4,215.72 |
| | | | 10,553.50 | 7,782.04 |
| II | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Property, Plant and equipments & Intangible Assets | 12 | | |
| | (i) Property, Plant and equipments | | 2,032.94 | 2,043.29 |
| | (ii) Intangible assets | | 1.99 | 0.49 |
| | (iii) Fixed assets held for sale | | - | - |
| | | | 2,034.93 | 2,043.78 |
| | (b) Non-current investments | 13 | 47.52 | - |
| | (c) Deferred tax assets (net) | | - | - |
| | (d) Long-term loans and advances | 14 | 12.85 | 12.85 |
| | (e) Other non-current assets | 15 | 75.72 | 72.09 |
| | | | 136.09 | 84.95 |
| 2 | Current assets | | | |
| | (a) Current investments | 16 | - | - |
| | (b) Inventories | 17 | 4,930.31 | 3,848.21 |
| | (c) Trade receivables | 18 | 3,008.77 | 1,587.26 |
| | (d) Cash and Bank Balance | 19 | 122.60 | 98.10 |
| | (e) Short-term loans and advances | 20 | 13.96 | 13.17 |
| | (f) Other current assets | 21 | 306.84 | 106.58 |
| | | | 8,382.48 | 5,653.31 |
| | | | 10,553.50 | 7,782.04 |
| | See accompanying notes forming part of the financial statements | 1 to 37 | | |

In terms of our report attached.

For N K Mittal & Associates

Chartered Accountants

Firm Registration Number: 113281W

CA (Dr.) N K Mittal

Partner

Membership Number: 046785

For Durlax Top Surface Limited
Shravan Suthar

Managing Director

DIN : 02985316

Lalit Suthar

Whole Time Director

DIN : 02985324

Kalpana Joshi

Chief Financial Officer

Komal Birla

Company Secretary

Place : Mumbai

Date : 29th May, 2024

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

(₹ in Lakhs)

| | Particulars | Note No. | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|------|--|----------|-----------------------------------|-----------------------------------|
| I | Revenue from operations (gross) | 22 | 9,076.42 | 6,673.83 |
| II | Other income | 23 | 7.51 | 10.37 |
| III | Total revenue (I + II) | | 9,083.93 | 6,684.20 |
| IV | Expenses | | | |
| | (a) Cost of materials consumed | 24 | 7,447.64 | 5,745.46 |
| | (b) Purchases of stock-in-trade | | - | - |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | | -329.54 | -464.84 |
| | (d) Employee benefits expense | 25 | 169.79 | 156.94 |
| | (e) Finance costs | 26 | 378.59 | 343.88 |
| | (f) Depreciation and amortisation expense | 12 | 223.77 | 160.73 |
| | (g) Other expenses | 27 | 685.01 | 454.59 |
| | Total expenses | | 8,575.26 | 6,396.76 |
| V | Profit / (Loss) before Prior Period items (III - IV) | | 508.68 | 287.44 |
| VI | Prior Period Depreciation Item | | 96.40 | - |
| VII | Profit / (Loss) before Exceptional and extraordinary items and tax (V - VI) | | 412.28 | 287.44 |
| VIII | Exceptional and Extraordinary items | | | |
| IX | Profit / (Loss) before tax (VII - VIII) | | 412.28 | 287.44 |
| X | Tax expense: | | | |
| | (a) Current tax | | 13.00 | - |
| | (b) Deferred tax | | -0.06 | 24.86 |
| XI | Profit / (Loss) from continuing operations (IX - X) | | 399.34 | 262.59 |
| XII | Profit / (Loss) from discontinuing operations (before tax) | | | - |
| XIII | Tax expense of discontinuing operations | | | - |
| XIV | Profit / (Loss) from discontinuing operations (after tax) (XII - XIII) | | - | - |
| XV | Profit / (Loss) for the year (XI + XIV) | | 399.34 | 262.59 |
| XVI | Earnings per equity share: | | | |
| | (1) Basic | 28 | 3.21 | 2.20 |
| | (2) Diluted | | 3.21 | 2.20 |

In terms of our report attached.

For N K Mittal & Associates

Chartered Accountants

Firm Registration Number: 113281W

CA (Dr.) N K Mittal

Partner

Membership Number: 046785

For Durlax Top Surface Limited
Shravan Suthar

Managing Director

DIN : 02985316

Lalit Suthar

Whole Time Director

DIN : 02985324

Kalpana Joshi

Chief Financial Officer

Komal Birla

Company Secretary

Place : Mumbai

Date : 29th May, 2024

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2024

(₹ in Lakhs)

| Particulars | As At 31st March, 2024 | As At 31st March, 2023 |
|--|---------------------------|---------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before taxes | 412.28 | 287.44 |
| Adjustment for: | | |
| Add: Depreciation & Amortizations | 320.17 | 160.73 |
| Add: Interest Expenses | 336.03 | 312.36 |
| Operating Profit before Working capital changes | 1,068.48 | 760.53 |
| Adjustments for: | | |
| (Increase)/ Decrease in Trade Receivable | -1,421.51 | 28.99 |
| (Increase)/ Decrease in Short Term Loans & Advances & Other Current Assets | -201.05 | 42.45 |
| (Increase)/ Decrease in Long Term Loans & Advances | - | - |
| (Increase)/ Decrease in Other Non-Current Assets | 4.40 | 23.71 |
| (Increase)/ Decrease in Inventories | -1,082.10 | -831.67 |
| Increase/ (Decrease) in Other Current Liabilities | -82.81 | 81.19 |
| Increase/ (Decrease) in Short Term Provisions | - | - |
| Increase/ (Decrease) in Long Term Liability | -3.17 | - |
| Increase/ (Decrease) in Trade Payables | 58.97 | 298.38 |
| Cash Generated from/used in Operations | -1,658.79 | 403.58 |
| Direct Taxes paid | -1.68 | -20.88 |
| Net Cash Flow from Operating Activities (A) | -1,660.47 | 382.70 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale / (Purchase) of Property, Plant & Equipment (Including Capital goods) | -311.32 | -3.83 |
| (Increase)/ Decrease in Fixed Deposit | -24.30 | -2.64 |
| (Increase)/ Decrease in Current Investments | - | - |
| (Increase)/ Decrease in Non Current Investments | -47.52 | - |
| Net Cash Flow from Investing Activities (B) | -383.14 | -6.47 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Shares Issue | 2.70 | 56.50 |
| Securities Premium on shares | 5.40 | 113.00 |
| Increase/ (Decrease) in Short Term Borrowings | 2,041.80 | -34.17 |
| Increase/ (Decrease) in Long Term Borrowings | 337.97 | -204.72 |
| Interest paid | -336.03 | -312.36 |
| Net Cash Flow from Financing Activities (C) | 2,051.84 | -381.75 |
| Net Increase / (Decrease) in Cash & Cash Equivalents | 8.23 | -5.52 |
| Cash and cash equivalents at the beginning of the year / Period | 3.97 | 9.48 |
| Cash and cash equivalents at the end of the year/ Period | 12.20 | 3.97 |

In terms of our report attached.

For N K Mittal & Associates

Chartered Accountants

Firm Registration Number: 113281W

CA (Dr.) N K Mittal

Partner

Membership Number: 046785

For Durlax Top Surface Limited
Shravan Suthar

Managing Director

DIN : 02985316

Kalpna Joshi

Chief Financial Officer

Lalit Suthar

Whole Time Director

DIN : 02985324

Komal Birla

Company Secretary

Place : Mumbai

Date : 29th May, 2024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Company Background

Durlax Top Surface Private Limited (the 'Company') previously known as Durlax India Private Limited was incorporated on 03rd May 2010 as a private limited company under the Companies Act, 1956. The Company is engaged in the business of Trading & Manufacturing Solid Surface Sheet. The Company has been converted into a public limited company on 29th March, 2023.

Summary of Significant Accounting Policies

A. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). 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, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (as amended) and Companies (Accounts Standards) Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized. Significant estimates used by management in the preparation of these financial statements includes estimates of the economic useful lives of property, plant and equipment.

C. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be easily measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership are transferred to the buyer, there is no continuing management involvement with the goods, the amount of revenue can be measured reliably, recovery of the consideration is probable and the associated costs and possible return of goods can be estimated reliably. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, value added tax, GST and applicable trade discounts and allowances, but inclusive of excise duty. Revenue includes shipping and handling costs billed to the customer.

Export entitlements

Export entitlements from government authorities are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Other Income

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost of an asset comprises of its purchase price and direct cost attributable to bringing the asset to its present condition for its intended use and borrowing cost on qualifying assets.

Leasehold improvements are depreciated on a straight line basis over the period of lease.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Advances paid towards acquisition of property, plant and equipment, outstanding at each balance sheet date are disclosed as capital advances.

The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013.

| Block of assets | Estimated useful lives (years) | |
|------------------------|--------------------------------|-----------------|
| | By management | Per schedule II |
| Building | 40 | 30 |
| Plant & Machinery | 25 | 15 |
| Office Equipment | 5 | 5 |
| Computers | 3 | 3 |
| Vehicles | 8 | 8 |
| Furniture and fixtures | 10 | 10 |

E. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of that asset till the date of capitalization of qualifying asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

F. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates closely prevailing on the date of the transaction. At the year-end, all the monetary assets and liabilities denominated in foreign currencies are restated into rupee equivalents at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All exchange differences arising on such restatements are reflected in the Statement of Profit and Loss.

G. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

H. Employee benefits

- (i) The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with the Employees' Provident Fund and Miscellaneous Provision Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.
- (ii) Gratuity is a post employment benefit and is a defined benefit plan. The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognized past service costs. The Company's obligation in respect of the plan is provided for based on actuarial valuation carried out as at the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gain or loss arise.
- (iii) All short term employee benefits are recorded as expenses. Short term employee benefits including salaries, non monetary benefits (such as medical care).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

I. Tax expense

Tax expense comprises current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period. Tax liability has been computed being higher of Minimum Alternate Tax (MAT) and tax under normal provisions of Income-tax Act. MAT credit are being recognized that there is convincing evidence that the Company will pay normal tax. The excess tax paid under MAT provisions being over and above regular tax liability can be carried forward for a period of ten years from the year of recognition and is available for set off against future tax liabilities computed under regular tax provisions. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

J. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

K. Impairment

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal or external factors. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the Statement of Profit and Loss.

L. Leases

Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit.

M. Contingent liabilities

The Company creates a provision where there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Contingent Liabilities which are not recorded in the Financial Statements are as under:

- a) The Company has imported Plant & Machinery under EPCG Scheme for which the company has legal obligation to export goods within Six year from date of licenses, the details of licenses are as follows:

| Sr. No | Date of Issue of License | License No | Amount of Goods to be Exported | Amount of duty to be paid |
|--------|--------------------------|------------|--------------------------------|---------------------------|
| 1 | 28/10/2016 | 0330045650 | 281,122,827 | 48,802,970 |
| 2 | 19/01/2017 | 0330046241 | 1,821,322 | 320,322 |
| 3 | 08/06/2017 | 0330047328 | 49,299,915 | 8,248,979 |
| | TOTAL | | 332,244,064 | 57,372,271 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

If the company is not able to comply with this export obligation then the company shall be liable to pay custome duty of Rs. 5,73,72,271/-

The company has taken Bank Guarantee from Punjab National Bank in favor of DGFT to the tune of Rs.

73,69,200/- to obtain this Bank Guarantee the company has offered fixed deposit with PNB to the tune of Rs. 18,43,050/-.

- b) The Company has imported Raw Material under Advance Licenses Scheme and is under a legal obligation to export goods within Eighteen Months from the date of license, however the company was not able to fulfil these export obligations, hence the company has made an application to the concerned authority to extent time period to enable it to fulfil the export obligations. This application is not yet decided upon by the concern authority. The details of aforesaid advanced licenses are as follows:

| Sr No | Date of Issue of License | License No | Amount of Goods to be Exported | Amount of duty to be paid |
|-------|--------------------------|------------|--------------------------------|---------------------------|
| 1 | 10/04/2017 | 0310812402 | 15,935,805 | 4,244,180 |
| 2 | 27/07/2017 | 0310814878 | 46,200,000 | 11,472,315 |
| | TOTAL | | 62,135,805 | 15,716,495 |

If the company is not able to comply with this export obligation then the company shall be liable to pay custom duty of Rs. 1,57,16,495/-

The Company has taken Bank Guarantee from Punjab National Bank in favor of DGFT to the tune of Rs. 32,72,000/- to obtain this Bank Guarantee the company has provided fixed deposit with PNB to the tune of Rs. 10,33,000/- as collateral security.

- c) The Company has not taken any Group Gratuity Policy or made any provision for likely Gratuity Liabilities which may arise in future.
- d) There may arise a liability of the FY 2017-18 of INR 1647.79 lakhs in respect to appeal fled at CIT (A)
- e) There may arise a liability of the FY 2016-17 and Q1 of 2017-18 of NR 51.44 lakhs wth respect to CST at NCT Delhi - DVAT

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Note 2 Share Capital

| Sl. No. | Particulars | 31-Mar-24 Rs. | 31-Mar-23 Rs. |
|----------|--|-------------------|-------------------------------|
| 1 | Share Capital | | |
| a | Authorised | 2,000.00 | 2,000.00 |
| b | Issued, Subscribed and Paid Up Equity Shares | | |
| | 1,24,27,701 Equity Shares of Rs. 10 each/-, Fully Paid Up | 1,242.77 | 1,240.07 |
| | Previous Year 1,24,00,701 Shares of Rs.10/- each. | | |
| | TOTAL | 1,242.77 | 1,240.07 |
| c | Reconciliation of the shares outstanding at the beginning and at the end of the reporting period | | |
| | Equity Shares of Rs 10/- Each, Fully paid up | 31-Mar-24 | 31-Mar-23 |
| | | No. | Amount (Rs.) |
| | At the Beginning of the year | 12,400,701 | 124,007,010 |
| | Issued during the period – Bonus issue | | 11,685,882 |
| | Issued during the period – sweat equity | - | - |
| | Issued during the year | 27,000 | 270,000 |
| | At the end of the year | 12,427,701 | 124,277,010 |
| d | Terms/ Rights attached to Equity Shares (eg.Dividend rights, Voting Rights) | | |
| | The Company has only one class of equity shares having a par value of Rs.10/- Per share with voting rights as to dividend and voting. Each Holder of equity shares is entitled to one vote per share. | | |
| | During the year ended 31st March 2024, no dividend is declared. (Previous year - Nil) | | |
| | The Company has issued Bonus Shares to its existing shareholders of Company in the ratio of 78:1 held at the Board Meeting on 26th December, 2022. | | |
| | The Company has made a Preferential Allotment of 5,92,000 Equity Shares having a face value of Rs. 10/- each fully paid up for the cash at a price of Rs. 30/- per equity share (including a share premium of Rs.20/- per equity shares) aggregating to Rs. 177.60 lakhs held at various Board Meeting 07th January 2023, 27th Febuary 2023, 17th March 2023 and 13th April, 2023. | | |
| | The Company has increased its Authorised Share Capital from 1,00,00,000 equity shares to 2,00,00,000 equity shares having a face value of Rs. 10/- each held in Board Meeting dated 21st November, 2022. | | |
| | In the event of Liquidation of the Company, after distribution of all preferential payments, the holders of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders. | | |
| e | Details of Shareholder holding more than 5% shares of the company: | | |
| | Equity Shares of Rs. 10/- each Held By | 31-Mar-24 | 31-Mar-23 |
| | | No | % Holding in the Class |
| | Shravan Suthar | 8,301,399 | 66.80% |
| | Lalit Suthar | 1,813,129 | 14.59% |
| | Pankaj Suthar | 826,893 | 6.65% |
| | Laxmichand Suthar | 894,280 | 7.20% |
| | Total | 11,835,701 | 95.24% |
| | | | |

The above information is as per register of share holders / members.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

| f) | Shareholding of promoters and promoters group | | | |
|----|---|-------------------|---------------|---------------|
| | Promoter's name | No. of shares | % of total | % change |
| | | | Shares | during year |
| | Shravan Suthar | 8,301,399 | 66.80% | -0.15% |
| | Lalit Suthar | 1,813,129 | 14.59% | -0.03% |
| | Pankaj Suthar | 826,893 | 6.65% | -0.01% |
| | Laxmichand Suthar | 894,280 | 7.20% | -0.02% |
| | Total | 11,835,701 | 95.24% | -0.21% |

Note 3 Reserves and surplus

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|--|---------------------------|-------------------------|
| (a) Security premium | | |
| Balance at the beginning of the year | 194.76 | 1,250.34 |
| Addition during the year | 5.40 | 113.00 |
| Utilisation during the year | - | 1,168.59 |
| Balance at the end of the year | 200.16 | 194.76 |
| (b) Share Application Money | | - |
| (c) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 320.50 | 57.91 |
| Add: Profit / (Loss) for the year | 399.34 | 262.59 |
| Others | | |
| Closing balance | 719.83 | 320.50 |
| Total | 919.99 | 515.25 |

Note 4 Long-Term Borrowings

(₹ in Lakhs)

| Particulars | Non current portion | |
|--------------------------|---------------------------|-------------------------|
| | As at 31st March, 2024 | As at 31 March, 2023 |
| Secured Loan | | |
| Term Loan | 360.65 | 337.49 |
| Unsecured loans | | |
| From Directors | 1,095.95 | 579.23 |
| From Director's Relative | 296.37 | 292.05 |
| From Body Corporates | 247.14 | 486.73 |
| From Banks and FI | 70.78 | 37.42 |
| | 2,070.88 | 1,732.91 |

Secured loan

- The Company has availed term loan facility of INR 554.00 lakhs at the ROI of 14.40% from Punjab National Bank against the charge on Plant & Machinery, Factory Land & Building and Personal Guarantee by Mr. Shravan Suthar, Mr. Lalit Suthar, Mr. Laxmichand Suthar and Mr. Pankaj Suthar against the repayment of INR 46.13 Lakhs Quarterly.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- 2) The Company has availed machinery term loan facility of INR 54.86 lakhs at the ROI of 9.50% for 5 years from Mahindra & Mahindra Financial Services Limited against the charge on Plant & Machinery, Security Deposit of Rs. 16.46 lakhs @ 8.50% and Personal Guarantee by Mr. Shravan Suthar and Mr. Lalit Suthar against the EMI Repayment of INR 1.15 lakhs
- 3) The Company has availed machinery term loan facility of INR 206.00 lakhs at the ROI of 11.00% for 5 years from Mahindra & Mahindra Financial Services Limited against the charge on Plant & Machinery, Security Deposit of Rs. 20.60 lacs @ 7.50% and Personal Guarantee by Mr. Shravan Suthar and Mr. Lalit Suthar against the EMI Repayment of INR 4.48 lakhs

Unsecured Loans

- 1) Received from Directors & Directors Relative to the company. The terms and conditions of repayment of principal and payment of interest are not specified. Hence, the same is considered as long-term and interest-free.
- 2) Business unsecured loan from Deutsche Bank of INR 39.7 lakhs at the ROI 17.00% for 5 years repayable in EMI of 1.42 lakhs
- 3) Business unsecured loan from Ambit Finvest Private Limited of INR 50.00 lakhs at the ROI 16.00% for 3 years repayable in EMI of 1.75 lakhs
- 4) Business unsecured loan from HDFC Bank Limited of INR 35.15 lakhs at the ROI 15.00% for 3 years repayable in EMI of 1.21 lakhs
- 5) Business unsecured loan from Hero Fincorp Limited of INR 30.15 lakhs at the ROI 17.00% for 3 years repayable in EMI of 1.08 lakhs
- 6) Other loans repositing interest rate at the 9.00%

The company has not defaulted on repayment of secured/ unsecured loans and interest during the year.

Note 5 Deferred Tax Liability

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|---|---------------------------|-------------------------|
| At the beginning of the Accounting Period | 74.92 | 50.06 |
| Add : Addition or reversal | -0.06 | 24.86 |
| Less : Deletion or reversal | - | - |
| Total | 74.86 | 74.92 |

Note 6 Other long-term liabilities

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|-----------------------------------|---------------------------|-------------------------|
| Security Deposit considered good* | - | 3.17 |
| Total | - | 3.17 |

* Security deposit represents trade deposit taken in the normal course of business realisable after twelve months from the reporting period.

Note 7 Long-term provisions

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|---|---------------------------|-------------------------|
| (a) Provision for employee benefits: | | |
| There are no provisions for employee benefits for current year. | - | - |
| Total | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 8 Short-term borrowings

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|--|---------------------------|-------------------------|
| (a) Loans repayable on demand | | |
| <u>From Banks- Secured</u> | | |
| Bank Overdraft | 3,036.40 | 1,021.67 |
| Letter of Credit | 662.86 | 617.66 |
| Other Loan repayable within year (Secured and Unsecured) | 300.57 | 318.69 |
| Total | 3,999.83 | 1,958.02 |

Secured loan

- 1) The Company has availed Medium term workig capital facility of INR 1100.00 lakhs at the ROI of 9.85% from Punjab National Bank against the Hypothecation of Stock & Books Debts and Personal Guarantee by Mr. Shravan Suthar, Mr. Lalit Suthar, Mr. Laxmichand Suthar and Mr. Pankaj Suthar.
- 2) The Company has availed Medium term workig capital facility of INR 1900.00 lakhs at the ROI of 12.50% from Mumbai District Central Co-op Basnk Ltd against the pari Pasu on Land, Building, Plant & Machinery, Office Premises no 301 & Shop No 01 and 02 and Personal Guarantee by Mr. Shravan Suthar and Mr. Lalit Suthar.
- 3) The Company has availed Letter of Credit facility of INR 730.00 lakhs in the form Cash Margin FDR @ 15% from Punjab National Bank against Personal Guarantee by Mr. Shravan Suthar, Mr. Lalit Suthar, Mr. Laxmichand Suthar and Mr. Pankaj Suthar.
- 4) The Company has availed GECL facility of INR 131.00 lakhs at the ROI of 9.25 % from Punjab National Bank against Extension of registered mortgage in favour of bank and Personal Guarantee by Mr. Shravan Suthar, Mr. Lalit Suthar, Mr. Laxmichand Suthar and Mr. Pankaj Suthar repayable in EMI of INR 8.19 lakhs.
- 5) The Company has availed term loan facility of INR 554.00 lakhs at the ROI of 14.40% from Punjab National Bank against the charge on Plant & Machinery, Factory Land & Building and Personal Guarantee by Mr. Shravan Suthar, Mr. Lalit Suthar, Mr. Laxmichand Suthar and Mr. Pankaj Suthar against the repayment of INR 46.13 Lakhs Quarterly.
- 6) The Company has availed machinery term loan facility of INR 54.86 lakhs at the ROI of 9.50% for 5 years from Mahindra & Mahindra Financial Services Limited against the charge on Plant & Machinery, Security Deposit of Rs. 16.46 lakhs @ 8.50% and Personal Guarantee by Mr. Shravan Suthar and Mr. Lalit Suthar against the EMI Repayment of INR 1.15 lakhs
- 7) The Company has availed machinery term loan facility of INR 206.00 lakhs at the ROI of 11.00% for 5 years from Mahindra & Mahindra Financial Services Limited against the charge on Plant & Machinery, Security Deposit of Rs. 20.60 lacs @ 7.50% and Personal Guarantee by Mr. Shravan Suthar and Mr. Lalit Suthar against the EMI Repayment of INR 4.48 lakhs

Unsecured loan

- 1) Business unsecured loan from Deutsche Bank of INR 39.7 lakhs at the ROI 17.00% for 5 years repayable in EMI of 1.42 lakhs
- 2) Business unsecured loan from Ambit Finvest Private Limited of INR 50.00 lakhs at the ROI 16.00% for 3 years repayable in EMI of 1.75 lakhs
- 3) Business unsecured loan from HDFC Bank Limited of INR 35.15 lakhs at the ROI 15.00% for 3 years repayable in EMI of 1.21 lakhs
- 4) Business unsecured loan from Hero Fincorp Limited of INR 30.15 lakhs at the ROI 17.00% for 3 years repayable in EMI of 1.08 lakhs
- 5) Business unsecured loan from Poonawalla Fincorp Limited of INR 34.78 lakhs at the ROI 17.25% for 5 years repayable in EMI of 1.24 lakhs

The company has not defaulted on repayment of secured/ unsecured loans and interest during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Note 9 Trade payables

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|---------------------------|---------------------------|-------------------------|
| a) MSME * | | |
| Less than 1 year | | |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| (b) Disputed dues - MSME* | | |
| Less than 1 year | | |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| c) Others | | |
| Less than 1 year | 2,097.19 | 1,986.63 |
| 1 to 2 Years | 43.88 | 95.46 |
| 2 to 3 Years | | |
| More than 3 years | | |
| d) Disputed dues - Others | | |
| Less than 1 year | | |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| Total | 2,141.07 | 2,082.10 |

(*Refer Note No 34)

Note 10 Other current liabilities

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|---------------------------|---------------------------|-------------------------|
| Advance From Customers | 37.64 | 115.48 |
| Employee Related Payables | 18.27 | 17.73 |
| Statutory Liabilities | 20.30 | 30.30 |
| Other Payables | 16.59 | 12.09 |
| Total | 92.79 | 175.60 |

Note 11 Short-term provisions

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|-----------------------------|---------------------------|-------------------------|
| (a) Provisions for expenses | - | - |
| (b) Provision For Taxation | 11.32 | - |
| Total | 11.32 | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

12. PROPERTY, PLANT AND EQUIPMENTS & INTANGIBLE ASSETS

(₹ in Lakhs)

| Particulars | PROPERTY, PLANT AND EQUIPMENTS | | | | | | INTANGIBLE Trade Mark & software | Total |
|---|--------------------------------|-----------|---------------|----------------------|---|--|--|----------|
| | Building | Computers | Motor Vehicle | Plant & Machinery | Furniture and Electrical Fittings | | | |
| COST OR VALUATION | | | | | | | | |
| At 31 March 2022 | 863.09 | 45.94 | 49.59 | 2,544.82 | 229.06 | | 0.92 | 3,733.41 |
| Additions | | 1.00 | | 2.57 | 0.22 | | 0.03 | 3.83 |
| Disposals | | | | | | | | - |
| Other adjustments | | | | | | | | - |
| At 31 March 2023 | 863.09 | 46.94 | 49.59 | 2,547.39 | 229.28 | | 0.95 | 3,737.23 |
| Additions | | 1.19 | 12.85 | 295.33 | - | | 1.95 | 311.32 |
| Disposals | | | | | | | | - |
| Other adjustments | | | | | | | | - |
| At 31 March 2024 | 863.09 | 48.13 | 62.43 | 2,842.72 | 229.28 | | 2.90 | 4,048.55 |
| DEPRECIATION | | | | | | | | |
| At 31 March 2022 | 184.27 | 43.49 | 49.59 | 1,121.50 | 133.47 | | 0.40 | 1,532.73 |
| Charge for the year | 24.69 | 1.20 | | 124.62 | 14.58 | | 0.05 | 165.14 |
| Disposals | | | | | | | | - |
| Other adjustments | | 1.93 | 2.48 | | | | | 4.41 |
| At 31 March 2023 | 208.96 | 42.76 | 47.11 | 1,246.12 | 148.05 | | 0.46 | 1,693.45 |
| Charge for the year | 120.67 | 2.10 | 4.31 | 148.98 | 43.66 | | 0.45 | 320.17 |
| Disposals | | | | | | | | - |
| Other adjustments | | | | | | | | - |
| At 31 March 2024 | 329.63 | 44.86 | 51.42 | 1,395.10 | 191.71 | | 0.91 | 2,013.62 |
| NET BLOCK - Property, Plant & Equipments | | | | | | | | |
| At 31 March 2022 | 678.82 | 2.45 | - | 1,423.31 | 95.58 | | - | 2,200.17 |
| At 31 March 2023 | 654.13 | 4.19 | 2.48 | 1,301.27 | 81.23 | | - | 2,043.29 |
| At 31 March 2024 | 533.46 | 3.28 | 11.02 | 1,447.62 | 37.57 | | - | 2,032.94 |
| NET BLOCK - Intangible assets | | | | | | | | |
| At 31 March 2022 | - | | | | | | 0.52 | 0.52 |
| At 31 March 2023 | - | | | | | | 0.49 | 0.49 |
| At 31 March 2024 | | | | | | | 1.99 | 1.99 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Note 13 Non-current investments

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|---|---------------------------|-------------------------|
| Non Trade, Unquoted (Value at Cost, unless stated otherwise) 4752 Shares (PY: Nil) of Rs. 1000 each of the Mumbai District Central Co-Op Bank Ltd, Mumbai | 47.52 | - |
| Total | 47.52 | - |

Note 14 Long-term loans and advances

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|------------------------------------|---------------------------|-------------------------|
| Security Deposits considered good* | 12.85 | 12.85 |
| Total | 12.85 | 12.85 |

* Security deposit represents utility, fixed deposit under CST given in the normal course of business realisable after twelve months from the reporting period.

Note 15 Other non-current assets

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|------------------------|---------------------------|-------------------------|
| Pre operative expenses | 22.63 | 27.03 |
| Fixed Deposits | 53.09 | 45.06 |
| Total | 75.72 | 72.09 |

Note 16 Current investments

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|--------------|---------------------------|-------------------------|
| | - | - |
| Total | - | - |

Note 17 Inventories
(At lower of cost and net realisable value)

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|----------------------|---------------------------|-------------------------|
| (a) Raw materials | 1,573.13 | 820.57 |
| (b) Work-in-progress | 795.76 | 345.02 |
| (c) Finished goods | 2,521.71 | 2,156.99 |
| (d) Recyclable Stock | 39.71 | 525.63 |
| Total | 4,930.31 | 3,848.21 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Note 18 Trade receivables

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|-------------------------------------|---------------------------|-------------------------|
| a) Undisputed, considered good | | |
| Less than 6 months | 2,905.64 | 1,471.28 |
| 6 months and 1 Year | 54.52 | 115.98 |
| 1 to 2 Years | 48.61 | |
| 2 to 3 Years | - | - |
| More than 3 years | | - |
| (A) | 3,008.77 | 1,587.26 |
| b) Undisputed, considered doubtful | | |
| Less than 6 months | | |
| 6 months and 1 Year | - | - |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| Less : Provision for Doubtful debts | | |
| (B) | - | - |
| c) Disputed, considered good | | |
| Less than 6 months | | |
| 6 months and 1 Year | | |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| (C) | | |
| d) Disputed, considered doubtful | | |
| Less than 6 months | | |
| 6 months and 1 Year | | |
| 1 to 2 Years | | |
| 2 to 3 Years | | |
| More than 3 years | | |
| Less : Provision for Doubtful debts | | |
| (D) | | |
| Total | 3,008.77 | 1,587.26 |

Note 19 Cash and Bank Balance

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|------------------------------|---------------------------|-------------------------|
| (a) Cash on hand | 11.54 | 0.40 |
| (b) Cheques, drafts on hand | - | - |
| (c) Balances with banks | | |
| (i) In current accounts | 0.66 | 3.56 |
| (ii) Margin Money with Bank* | 110.41 | 94.14 |
| Total | 122.60 | 98.10 |

*Margin Money represents a Fixed Deposit which is a lien against the Letter of Credit

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 20 Short-term loans and advances

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|----------------------------|---------------------------|-------------------------|
| Unsecured, considered good | 13.96 | 13.17 |
| Total | 13.96 | 13.17 |

Note 21 Other current assets

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31 March, 2023 |
|----------------------------------|---------------------------|-------------------------|
| Prepaid Expenses | 17.46 | 10.36 |
| Gst Credit | 85.99 | 44.52 |
| Advance to Creditors | 174.79 | 32.81 |
| Balance with Revenue Authorities | 16.48 | 9.45 |
| Other Current Assets | 12.13 | 9.45 |
| Total | 306.84 | 106.58 |

Note 22 Revenue from operations

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|--------------------|--------------------------------------|--------------------------------------|
| Sale of products * | 9,076.42 | 6,673.83 |
| <u>Less:</u> | | |
| GST | - | - |
| Total | 9,076.42 | 6,673.83 |

* includes Branch sales of INR 6.74 Lacs and INR 2.43 Lacs Respectively

Note 23 Other income

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|-----------------------|--------------------------------------|--------------------------------------|
| Interest Income | 7.51 | 8.50 |
| Sundry Balances w/off | - | 0.12 |
| Other Income | - | 1.76 |
| Total | 7.51 | 10.37 |

Note 24. a Cost of materials consumed

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|---------------------------|--------------------------------------|--------------------------------------|
| Opening stock | 820.57 | 453.74 |
| Add: Purchases * | 8,200.20 | 6,112.29 |
| | 9,020.77 | 6,566.03 |
| Less: Closing stock | 1,573.13 | 820.57 |
| Cost of material consumed | 7,447.64 | 5,745.46 |
| Total | 7,447.64 | 5,745.46 |

* includes Branch purchase of INR 6.74 Lacs and INR 2.43 lacs Respectively

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

Note 24. c Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|--|--------------------------------------|--------------------------------------|
| <u>Inventories at the end of the year:</u> | | |
| Finished goods | 2,521.71 | 2,156.99 |
| Work-in-progress | 795.76 | 345.02 |
| Recyclable Stock | 39.71 | 525.63 |
| | 3,357.18 | 3,027.64 |
| <u>Inventories at the beginning of the year:</u> | - | - |
| Finished goods | 2,156.99 | 1,692.67 |
| Work-in-progress | 345.02 | 248.21 |
| Recyclable Stock | 525.63 | 621.92 |
| | 3,027.64 | 2,562.81 |
| Net (increase) / decrease | -329.54 | -464.84 |

Note 25 Employee benefits expense

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|--|--------------------------------------|--------------------------------------|
| Directors Remuneration | 48.00 | 48.00 |
| Salaries and wages | 111.30 | 95.68 |
| Contributions to provident and other funds | 5.09 | 9.85 |
| Staff welfare expenses | 5.39 | 3.41 |
| Total | 169.79 | 156.94 |

Note 26 Finance costs

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|------------------------|--------------------------------------|--------------------------------------|
| Interest on Borrowing | - | - |
| Processing fees (Loan) | 29.74 | 1.80 |
| Interest Expenses on | | |
| Car Loan | - | 0.01 |
| Term Loan | 61.34 | 97.71 |
| Cash Credit | 239.99 | 143.60 |
| Business Loan | 21.89 | 46.45 |
| Bill Discounting | - | 14.89 |
| Bank Charges | 12.81 | 29.71 |
| Other Finance Cost | 12.80 | 9.71 |
| Total | 378.59 | 343.88 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)
Note 27 Other expenses

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Manufacturing Expenses | 351.16 | 247.08 |
| <u>Other Expenses</u> | | |
| Audit Fees | 2.25 | 3.19 |
| Business Promotion Expenses | 42.52 | 17.14 |
| Commission Expenses | 6.63 | 4.26 |
| Computer and Internet Expenses | 0.03 | 0.35 |
| Courier & Postage Charges | 6.51 | 4.75 |
| Discount Charges | - | 9.05 |
| Foreign Exchange Fluctuation | 1.31 | 5.16 |
| Fuel Charges & Vehicle Expenses | 13.60 | 3.45 |
| GST Expenses | 0.71 | - |
| Insurance | 4.72 | 10.67 |
| Legal Fees | 0.45 | 0.42 |
| Miscellaneous Expenses | 3.73 | 8.81 |
| Office Expenses | 15.87 | 13.26 |
| Power & Electricity Expenses | 1.98 | 1.65 |
| Printing & Stationery | 14.44 | 12.79 |
| Professional Fees | 95.30 | 15.30 |
| Recruitment Charges | 1.57 | 0.54 |
| Rent Rates & Taxes | 21.03 | 12.33 |
| Repairs & Maintenance Expenses | 11.08 | 6.52 |
| Telephone, Mobile & Internet Expenses | 2.73 | 2.59 |
| Tours & Travels Expense | 50.43 | 48.73 |
| Pre-operative Expenses Written Off | 4.40 | 16.81 |
| Stamp Duty, Registration Fees Paid | 25.22 | - |
| ROC Filing Fees | 3.53 | 9.50 |
| Sitting fees to Directors | 3.75 | |
| Listing Expenses | 0.06 | 0.24 |
| Total | 685.01 | 454.59 |

Note 28 Earning per equity shares

(₹ in Lakhs)

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Net Profit after Tax | 39,933,804.40 | 26,258,875.78 |
| Weighted Average number of Shares | 12,426,887 | 11,939,665 |
| Earing Per Shares (EPS) | 3.21 | 2.20 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No 29 : Related Party Transactions

List of Related Party, as disclosed by Management :-

Key Managerial Persons and their Relatives

1. Shravan Suthar- Managing Director
2. Lalit Suthar- Whole Time Director
3. kalpana Joshi-CFO w.e.f 19.09.2023
3. Sunil Khalate- CFO upto 18.09.2023
4. Narayan Uttam Samantra- Independent Director
5. Abhishek Bansal- Independent Director
6. Roxy Rajendra Teniwal- Independent Director
7. Pankaj Suthar- Relative of Directors
8. Honey Bansal- Company Secretary upto 22.06.2023
9. Sejal Solanki- Company Secretary upto 20.05.2024
10. Komal Birla- Company Secretary w.e.f 20.05.2024

Entities in which KMP are interested

1. Laxmichand Suthar HUF
2. SDC Enterprises (Shravan Suthar HUF)
3. Lalit Suthar HUF
4. Pankaj Suthar HUF
5. Laxmichand Suthar Proprietorship
6. Lalit Suthar Proprietorship
7. Shravan Design Co
8. Ardent Projects
9. Kuber Trading Co
10. Neev Furnitech

Relatives of Key Managerial Persons

1. Laxmichand Suthar
2. Durga Laxmichand Suthar
3. Pankaj Suthar
4. Rinku Chauhan
5. Urmila Suthar
6. Nirma Suthar
8. Neev Suthar
9. Takshay Suthar
10. Saisha Suthar

Transactions with Key Managerial Persons and their Relatives

(₹ in Lakhs)

| Particulars | 31.03.24 | 31.03.23 |
|--|----------|----------|
| Part A : Transaction during the year/period | | |
| Borrowings Received: | | |
| Shravan Suthar | 1,166.91 | 393.04 |
| Lalit Suthar | 121.87 | 72.04 |
| Laxmichand Suthar | - | 24.24 |
| Neev Furnitech | 89.27 | 31 |
| Kuber Trading | - | 0.89 |
| Pankaj Suthar | 62.99 | 50.03 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

| Particulars | 31.03.24 | 31.03.23 |
|--------------------------------|----------|----------|
| Borrowings Repaid | | |
| Shravan Suthar | 650.19 | 367.8 |
| Lalit Suthar | 119.42 | 50.17 |
| Laxmichand Suthar | 46.76 | 22.74 |
| Neev Furnitech | 38.19 | 42.25 |
| Urmila Suthar | - | 0.015 |
| Pankaj Suthar | 60.00 | 0.58 |
| Managerial Remuneration | | |
| Lalit Suthar | 18.00 | 18.00 |
| Shravan Suthar | 30.00 | 30.00 |
| Sitting Fees | | |
| Abhishek Bansal | 1.17 | - |
| Roxy Teniwal | 1.29 | - |
| Narayan Uttam Samantra | 1.29 | - |
| Salary Paid | | |
| Sunil Khalate | 2.00 | 0.66 |
| Kalpana Joshi | 2.57 | - |
| Sejal Solanki | 1.84 | - |
| Honey Bansal | 1.38 | - |
| Sales: | | |
| Ardent Projects | 30.33 | 18.71 |
| Neev Furnitech | 19.51 | 0.62 |
| Rent: | | |
| Laxmichand Suthar | 3.00 | 2.25 |
| Shravan Suthar | 18.00 | 9.30 |
| Purchase: | | |
| Ardent Projects | 6.11 | 28.42 |
| Kuber Trading | 252.00 | - |

(₹ in Lakhs)

| Particulars | 31.03.24 | 31.03.23 |
|--|----------|----------|
| Closing balances at the end of year | | |
| Loans & Advances Receivable: | | |
| Lalit Suthar | - | 2.44 |
| Pankaj Suthar | - | 2.98 |
| Expenses Payable | | |
| Shravan Suthar | 30.47 | 11.03 |
| Laxmichand Suthar | 3.24 | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

| Particulars | 31.03.24 | 31.03.23 |
|------------------------------|----------|----------|
| Salary Payable | | |
| Sunil Khalate | - | 0.35 |
| Kalpana Joshi | 0.38 | - |
| Sejal Solanki | 0.10 | - |
| Honey Bansal | 1.38 | - |
| Sitting Fees Payable | | |
| Abhishek Bansal | 1.07 | - |
| Roxy Teniwal | 1.19 | - |
| Narayan Uttam Samantra | 1.19 | - |
| Debtors | | |
| Ardent Projects | 8.53 | - |
| Neev Furnitech | 2.33 | - |
| Creditors | | |
| Ardent Projects | - | 1.58 |
| Kuber Trading | 7.22 | - |
| Long-Term Borrowings: | | |
| Shravan Suthar | 1095.95 | 579.23 |
| Lalit Suthar | - | - |
| Laxmichand Suthar | 209.79 | 256.55 |
| Neev Furnitech | 51.59 | 0.5 |
| Laxmichand Suthar HUF | 32.52 | 32.52 |
| Urmila Suthar | 2.47 | 2.46 |

Note No 30: Event occurring after the Balance Sheet Date

To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance sheet date that requires adjustment to the Assets or Liabilities of the Company.

Note No 31 :

In the opinion of the board and as certified by the management, all expenses charged to revenue and cash transaction entered into are genuine and have been solely and exclusively incurred for the business of the Company

Note No 32 :

In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note No 33 :

Some of Trade Receivables, Trade Payables, Loans and advances and other current and non current are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No 34 : Micro and Small Enterprises

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Amount due to vendor | - | - |
| a) the principal amount and the interest due thereon | - | - |
| b) the amount of interest paid | - | - |
| c) the amount of interest due and payable | - | - |
| d) the amount of interest accrued and remaining unpaid | - | - |
| e) the amount further interest remaining due and payable | - | - |

Note No 35 :Other statutory information

- i) The Company has not traded or invested in crypto currency or virtual currency during the year.
- ii) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- iii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- iv) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- v) The Company has 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:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- vi) The Company has 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
- vii) The Company has not been declared wilful defaulter by any banks / financial institution or government or any government authority.
- viii) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the current year or previous year.
- ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- x) The Company has not obtained any term loans from banks and financial institution during the year.
- xi) The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

36 Ratios : As per Annexure "A"

37 Figures of the previous year have been regrouped, reclassified and/or rearranged whenever necessary to compare with the figures of the current year.

Signatures to Notes 1 to 37

In terms of our report attached.

For N K Mittal & Associates

Chartered Accountants

Firm Registration Number: 113281W

CA (Dr.) N K Mittal

Partner

Membership Number: 046785

For Durlax Top Surface Limited

Shravan Suthar

Managing Director

DIN : 02985316

Lalit Suthar

Whole Time Director

DIN : 02985324

Kalpana Joshi

Chief Financial Officer

Komal Birla

Company Secretary

Place : Mumbai

Date : 29th May, 2024

DURLAX[®]
TOP SURFACE LIMITED

if undelivered please return to
Registered Office

Unit No. 1601, 16th Floor, Synergy Business Park Premises Co-op Society Ltd,
Bhd Virwani Industrial Estate, Sahakarwadi,
Off Vishweshwar Nagar Road, Goregaon (East), Mumbai - 400 063.