SEL MANUFACTURING COMPANY LIMITED

Regd. Office: 274, Dhandari Khurd G.T. Road Ludhiana- 141014
CIN: L51909PB2000PLC023679
Tel: +91-161-7111117, Fax: +91-161-7111118, Email: cs@selindia.in
Website: www.selindia.in

31st July, 2024

To

BSE Limited
Department of Corporate Services
25th Floor, PJ Towers, Dalal Street, Mumbai-400001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051

Scrip Code: 532886

Symbol: SELMC

Sub: Notice of 24th Annual General Meeting

Scrip Code: 532886, Scrip Id: SELMC, ISIN No.: INE105101020

Dear Sir,

The 24th Annual General Meeting ('AGM') of the Company is scheduled to be held on Thursday, the 22nd day of August, 2024 at 11:00 AM IST through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 29, Regulation 34 read with Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of the Annual Report for the Financial Year 2023-24 including Notice of 24th Annual General Meeting containing all the business to be transacted at the AGM.

The same is being circulated to the Members of the Company. The above documents are also available on the website of the Company i.e. http://www.selindia.in/annual_report.html

This is for your reference and records.

Thanking you,
Yours faithfully,
For SEL MANUFACTURING COMPANY LIMITED

Naveen Arora
Digitally signed by Naveen Arora
Date: 2024.07.31 13:44:48 +05'30'

Naveen Arora
Whole-time Director
DIN: 09114375

SEL MANUFACTURING COMPANY LIMITED

ANNUAL REPORT
2023-24

SEL MANUFACTURING COMPANY LIMITED

BOARD OF DIRECTORS

Mr. Manjit Singh Kochar	Chairperson- Independent Director
Mr. Rajeev Bhalla	Managing Director Cum CEO
Mr. Dinesh Kumar Mehtani	Director
Mr. Shashankrai	Director
Ms. Seema Singh	Independent Director
Mr. Naveen Arora	Whole-time Director

Auditors:
Kamboj Malhotra & Associates
Chartered Accountants,
B-XX-2815, IInd Floor, Gurdev Nagar, Pakhowal Road,
Ludhiana- 141001 Punjab

Registered Office:
274, Dhandari Khurd,
G. T. Road,
Ludhiana (Punjab) 141014
CIN: L51909PB2000PLC023679
Email: cs@selindia.in
Contact: +91 161 7711177
Website; www.selindia.in

Registrar & Transfer Agent
Link Intime India Private Limited
(Formerly Intime Spectrum Registry Ltd.)
Noble Heights, 1st Floor,
Plot No. NH2, LSC, C-1 Block,
Near Savitri Market, Janakpuri,
New Delhi-110058
Phone No: 011- 41410592,
Fax no: 011- 41410591
E-mail delhi@linkintime.co.in

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NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the members of the Company will be held on Thursday, the 22nd Day of August, 2024 at 11.00 A.M. (IST) through Video Conferencing / Other Audio Visual Means to transact the following business (es):

ORDINARY BUSINESS:

1. To receive consider and adopt:

a) the Audited financial statements of the Company for the financial year ended 31st March, 2024 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Board of Directors & Auditors thereon, and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution(s):

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Board of Directors & Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Auditors thereon, and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution(s):

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Dinesh Kumar Mehtani, (DIN: 08909769), who retires by rotation and being eligible offers himself for reappointment, and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time and pursuant to any other Regulations, as may be applicable, Mr. Dinesh Kumar Mehtani, (DIN: 08909769), who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as Director of the Company liable to retire by rotation"

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to the provisions of Sections 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory amendments and modifications thereof, for the time being in force, the remuneration payable to **M/s Jatin Sharma & Co., Cost Accountants**, Firm Registration Number: 101845, appointed by the Board of Directors to conduct the Audit of the cost accounting records of the Company for the Financial year 2024-25 amounting to Rs.77,000 exclusive of GST as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Mr. Manjit Singh Kochar (DIN: 08298764),** be and is hereby appointed as Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Mrs. Seema Singh (DIN: 10042852),** be and is hereby appointed as Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud, G.T. Road,
Ludhiana- 141014 (Punjab)

Naveen Arora
Wholetime Director
DIN: 09114375

NOTES:

1. In view of the situation arising due to COVID-19 global pandemic, social distancing norm is to be followed. Accordingly, the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022, Circular No. 09/2023 dated 25th September, 2023 and Securities and Exchange Board of India (SEBI) vide its Circular No. S E B I / H O / C F D / C M D 1 / CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/ 2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/ 2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of members at a common venue. Thus, in compliance with the said Circulars, the 24th Annual General Meeting (AGM) of the Company will be held through video conferencing (VC) or other audio visual means (OAVM). Members can attend and participate in the AGM through VC/OAVM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item(s) of Special Business is annexed hereto and forms part of the Notice.

3. The Registered office of the company shall deemed to be the venue of the Meeting.

4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes through evoting.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

6. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice calling the AGM along with Annual Report for the year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Depositories. Members may note that Notice and Annual Report 2023-24 has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. 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 to at least 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.

8. The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other Requirements regarding the Director who is proposed to be appointed/re-appointed is given in the annexure to the Notice.

9. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form except in case of request received for transmission or transposition of securities. In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's Registrar and Transfer Agent: M/s. Link Intime India Private Limited for assistance in this regard.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and Bank Details by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their self-attested copy of PAN card and bank details along with Original cancelled cheque leaf/attested bank passbook showing name of account holder and address, to the Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, etc. will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM i.e. Thursday, the 22nd Day of August, 2024.

13. 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 MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, and December 28, 2022 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 availed the services of Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's 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 CDSL.

14. The members who have voted through remote e- voting will be eligible to attend the AGM but they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND EVOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

1. The voting period begins on **19th August, 2024 (9:00 a.m.)** and ends on **21st August, 2024 (5:00 p.m.).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **14th August, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

   Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

   Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	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 to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 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	1) If you are already registered for NSDL IDeAS facility, please visit the e-

Shareholders holding securities in demat mode with NSDL	Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is 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 3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. CDSL and NSDL

Login type	Helpdesk details
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
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.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

1. Login method for e-Voting and joining virtual AGM for Physical shareholders and shareholders other than individual holding in Demat form.

a) The shareholders should log on to the e-voting website www.evotingindia.com.

b) Click on "Shareholders" module.
c) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
d) Next enter the Image Verification as displayed and Click on Login.
e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
f) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the RTA records in order to login. • If both the details are not recorded with the depository or RTA, please enter the member id / folio number in the Dividend Bank details field.

2. After entering these details appropriately, click on "SUBMIT" tab.

3. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

4. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

5. Click on the EVSN for SEL Manufacturing Company Limited on which you choose to vote.

6. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

7. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

8. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

9. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

10. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

11. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

12. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

13. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

    - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at csharshit14@gmail.com and to the Company at the email address viz; cs@selindia.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. 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.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@selindia.in. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time, for smooth conduct of the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@selindia.in These queries will be replied to by the company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. Only those shareholders, who are 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 available during the AGM.

9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE RTA/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Aadhaar Card) by email to delhi@linkintime.co.in.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e- Voting & joining virtual meetings through Depository.

Other instructions:

1. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cutoff date.

2. The Company has appointed M/s Harshit Arora & Associates, Practising Company Secretary (Membership No. F14807), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.

3. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM.

4. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.selindia.in on the website of CDSL i.e. www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

5. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the **Annual General Meeting** i.e. **Thursday, the 22nd Day of August, 2024.**

6. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cutoff date i.e. 14th August, 2024 may follow the same instructions as mentioned above for e-Voting.

7. A person who is not a Member as on the cutoff date i.e. 14th August, 2024 should treat this Notice for information purposes only.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e- Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal

Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3 OF SPECIAL BUSINESS:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of and remuneration payable to M/s Jatin Sharma & Co., Cost Accountants for the audit of cost accounting records of the Company pursuant to the Companies (Cost Records and Audit) Rules 2014, for the Financial Year 2024-25 at a remuneration of Rs. 77,000/- excluding the applicable GST and reimbursement of out of pocket expenses incurred by him in connection with the audit. As per Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as determined by the Board is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

The Board recommends this Resolution for your approval.

ITEM NO. 4 OF SPECIAL BUSINESS:

The appointment of **Mr. Manjit Singh Kochar (DIN: 08298764)**, as a Director (Independent Director) of the Company is recommended for the approval of members. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. The Board of Directors of your Company have appointed Mr. Manjit Singh Kochar (DIN: 08298764), as a Director (Independent Director) of the Company for a term upto five consecutive years commencing from 22nd May, 2024, subject to the confirmation of his appointment by the members of the Company.

Mr. Manjit Singh Kochar (DIN: 08298764), has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. A brief Profile of proposed Independent Director, is also included in Annexure to the Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Manjit Singh Kochar (DIN: 08298764), as an Independent Director is now being placed before the members in General Meeting for their approval.

In the opinion of the Board, Mr. Manjit Singh Kochar (DIN: 08298764), fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management. Mr. Manjit Singh Kochar (DIN: 08298764), is interested and concerned in this Resolution. Other than that Mr. Manjit Singh Kochar (DIN: 08298764), no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in this resolution. This Statement may also be regarded as disclosure under the applicable clauses of the SEBI (LODR) Regulations.

The Board recommends this Resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except the Appointee, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

ITEM NO. 5 OF SPECIAL BUSINESS:

The appointment of **Mrs. Seema Singh (DIN: 10042852)**, as a Director (Independent Director) of the Company is recommended for the approval of members. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. The Board of Directors of your Company have appointed Mrs. Seema Singh (DIN: 10042852), as a Director (Independent Director) of the Company for a term upto five consecutive years commencing from 22nd May, 2024, subject to the confirmation of her appointment by the members of the Company.

Mrs. Seema Singh (DIN: 10042852), has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act. A brief Profile of proposed Independent Director, is also included in Annexure to the Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Seema Singh (DIN: 10042852), as an Independent Director is now being placed before the members in General Meeting for their approval.

In the opinion of the Board, Mrs. Seema Singh (DIN: 10042852), fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and she is independent of the management. Mrs. Seema Singh (DIN: 10042852), is interested and concerned in this Resolution. Other than that Mrs. Seema Singh (DIN: 10042852), no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in this resolution. This Statement may also be regarded as disclosure under the applicable clauses of the SEBI (LODR) Regulations.

The Board recommends this Resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except the Appointee, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud, G.T. Road,
Ludhiana- 141014 (Punjab)

Naveen Arora
Wholetime Director
DIN: 09114375

Annexure to Notice

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulations

Name of the Director	**Mr. Manjit Singh Kochar**	**Mrs. Seema Singh**	**Mr. Dinesh Kumar Mehtani**
DIN	08298764	10042852	08909769
Age	62 years	61 years	55 years
Date of Appointment	22/05/2024	22/05/2024	13/03/2021
Qualification	1) AISSCE: Kendriya Vidyalaya, Delhi Cantt 1980 2) B.Sc (Gen) Gp-B: Delhi University 1983 3) CAIIB from IIBF 4) Finacle Administration Program from Infosys 2006 5) Other certification courses from IIBF and other esteemed institutions.	1) MSc (Physics): Lucknow University 1984 2) B. Sc. (Math's, Physics, Statistics): Lucknow University 1982 3) JAIIB & CAIIB from IIBF, Mumbai	Practicing Chartered Accountant
Nature of his expertise in specific functional areas	Expertise in implementation of IT projects ranging from ALPM installation , TBM installation, MIS packages installation, support to CBS implementation, Project Planning and Team Management	Workforce Planning, Talent Management, Succession Planning, Managing operation of large scale projects in HR & Finance function and Creating compliance driven culture	Has vast Experience in Accounts and Financial Matters
Names of the other listed entities in which the person also holds the Directorship	NA	NA	NA
The membership of the committees of the board of other Listed Entities	NA	NA	NA
Disclosure of Relationship between Directors	Not related	Not related	Not Related
Equity Shareholding	NA	NA	NA

DIRECTORS' REPORT

To
The Members
SEL Manufacturing Company Limited

The Directors hereby present the **24th** Annual Report on the affairs of the company together with Audited Financial Statements for the financial year ended **31st March, 2024.**

1. FINANCIAL RESULTS:

(Rs in Lakhs)

	Current Year 2023-24	**Previous Year 2022-23**
Revenue from Operations	37,427.31	55,436.76
Other Income	547.43	1,986.21
Total	37,974.75	57,422.97
Less:		
Expenditure	48,900.67	66,876.54
Depreciation & Amortisation	9,515.64	10,159.05
Profit/(loss)before exceptional items and tax:	-20,441.56	-19,612.62
Exceptional Items	-1,146.23	-1,021.47
Profit/(Loss) before tax	-19,295.33	-18,591.15
Less: Taxes	-	-
Profit/(Loss)from continuing Operations	-19,295.33	-18,591.15
Profit/(Loss)from discontinuing Operations	-	-
Profit/(Loss) for the period	-19,295.33	-18,591.15
Other Comprehensive Income	-1,185.51	7,068.03
i)Items that will not be reclassified to Profit or loss	453.39	273.34
ii) Items that will be reclassified to Profit or loss	-1,638.90	6,794.69
Total Comprehensive Income/(Loss)for the Period	-20,480.84	-11,523.13

2. BUSINESS:

The Company is vertically integrated multi-product textile company, manufacturing various kinds of Knitted Garments, Terry Towels, Knitted & Processed Fabric and various kinds of Yarn with production facilities located at different parts of India.

3. STATE OF COMPANY'S AFFAIRS:

During the year under review, your company has achieved Revenue from Operations of **Rs. 37,427.31 lacs** as compared to **Rs. 55,436.76 lacs** in the previous year. After deducting Expenses there was a loss of **Rs. 20,441.56 lacs** as compared to loss of **Rs. 19,612.62 lacs** during the previous year. After adjusting Exceptional Items there was Loss of **Rs. 19,295.33 lacs** as compared to loss of **Rs. 18,591.15 lacs** during the previous year. After providing for other adjustments/comprehensive income, the current year Loss stood at **Rs. 20,480.84 lacs** as compared to the Loss of **Rs. 1,1523.13 lacs** during the previous year.

Earlier, the Company went through Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code (IBC), 2016, pursuant to an application filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by State Bank of India against SEL Manufacturing Company Limited ("Corporate Debtor"), under Section 7 of the Insolvency and

Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"), The Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 had approved the Resolution plan submitted by Consortium of Arr Ess Industries Private Limited and Leading Edge Commercial FZE ("Consortium" or "Resolution Applicant") in respect of SEL Manufacturing Company Limited ("Company"). Pursuant to the Corporate Insolvency Resolution Process, the Company has been taken over by new management.

The Company has been regularly paying interest and instalments as per terms of resolution plan and there has never been a delay of even a single day in any of the months. Despite the foregoing compliance by the Company, the Company has received a notices from certain banks declaring the name of the Company as wilful defaulter. Post implementation of the resolution plan, certain actions were required to be taken sequentially by the resolution applicant, company and the lenders. First of all, joint documents were required to be executed and the same was done. Post that the resolution applicant was required to bring in Rs.50.00 crores. The same were brought in by the resolution applicant and it was used for making payments to financial creditors & operational creditors. Thereafter, a security trustee was appointed. After that equity shares & debentures were allotted to the lenders and the equity shares allotted to the resolution applicant were pledged with the lenders. As per terms of resolution plan, term loan-II of Rs.50.00 crores was required to be repaid and the same was duly done.

During the intervening period of one year, the lenders were required to take steps for removal of Company name from the CIBIL and fraud list and issue a satisfaction letter for removal of redundant charges of about Rs.12000 crores from MCA records. However, despite repeated reminders and requests from the Company nothing in this regard has been done by the banks. In fact, two of the bankers have included the name of the new directors in the CIBIL list even though the interest and instalments are being served on time. Due to this, the Company has not been able to obtain external rating.

The Company is finding it very difficult to raise finances from the market as the name of the Company and the new directors still appears in the CIBIL list and fraud list. Not only this, the Company is also not able to get business from international and domestic buyers as most of these buyers ask for credit rating before placing the orders. However, as the name of Company appears in CIBIL and fraud list and also because of redundant charges of Rs.12000 crores standing in the name of the Company, the Company is unable to get credit rating and consequently unable to generate orders from international buyers. All this is severely hampering the business of the Company.

The resolution applicant had estimated certain financial projections relating to sales and profitability while submitting the resolution plan with committee of creditors. Based on these financial projections, the repayment of loans and payment of interest was scheduled. However, due to reasons mentioned above, the Company is finding it very difficult to achieve the estimated sales and the company continues to incur losses. Due to continuation of situation, servicing of financial obligations is becoming difficult.

4. SUBSIDIARY COMPANY/FIRM(S):

The Company had one Subsidiary Company viz. SEL Aviation Private Limited in the previous year, however application for the Striking off M/s SEL Aviation Private Limited (subsidiary of the company) has been filed before the Registrar of the Companies, further the Jurisdictional Registrar of Companies has issued Notice of Striking off and Dissolution under sub section (5) of Section 248 of the Companies Act, 2013 and rule 9 of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 in Form No. STK- 7 vide Notice No. STK-7/000149/2023 dated 25/11/2023 in which they have informed that the name of SEL Aviation Private Limited have been struck off on 25/11/2023 from the Register of the Companies and the said Company is dissolved.

SEL Aviation Private Limited, subsidiary of the company is in the business of Aviation services. The contribution of Subsidiaries in the overall performance is as given in Consolidated Financial Statements. Further the Report on financial position of subsidiaries and other details thereto during the year has been duly provided in prescribed Form **AOC-1** as **Annexure A** to this report.

5. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company and its subsidiaries, prepared and presented in accordance with Accounting Standard, are attached to and form part of the Annual Report.

6. CORPORATE GOVERNANCE:

Your Company is committed to adhere to the best Practices of governance. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment & compliances. Detailed compliances with the provisions of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013 for the year 2023-24 are given in Corporate Governance Report, which is attached and forms part of this report. The certificate of Chartered Accountant in Practice on compliance with corporate governance norms is also attached thereto.

7. DIVIDEND:

The directors have not recommended any dividend for the financial year 2023-24.

8. SHARE CAPITAL:

There was no change in the Capital structure of the Company during the year, Further, the company has not issued any Equity Shares with Differential Rights, Employee Stock Options and/or Sweat Equity Shares.

9. FIXED DEPOSITS:

During the year, your Company has not accepted any fixed deposits under the provisions of the Companies Act, 2013 and the Rules made there under.

10. SECRETARIAL STANDARDS:

The Company has complied with applicable secretarial Standards.

11. DIRECTORS AND KMP:

The following changes occurred in the directorship of the company during the period under review:-

1. **Mr. Dinesh Kumar Mehtani** (DIN: 08909769), Director of the Company, retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Details of appointment and terms are given in detail in the Notice/Annexure to Notice for the ensuing Annual General Meeting. The Board recommended his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

2. **Mr. Sushil Kumar** (DIN: 00126157), Independent Director of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company with effect from 17th April, 2023.

3. **Mr. Anukool Bhatnagar** (DIN: 09800892) was appointed as Nominee Director of the Company w.e.f 28th April, 2023.

4. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) was appointed as Additional Director (Independent Director) of the company w.e.f 23rd May, 2023.

5. **Ms. Aarti Sharma** (ACS 68577) an associate member of the Institute of Company Secretaries of India was appointed as Company Secretary of the company w.e.f 01st June, 2023.

6. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) was appointed as Director (Independent Director) of the company for a period of 5 years w.e.f 23rd May, 2023.

7. **Mr. Rajeev Bhalla** (DIN: 00551773) was reappointed as the Managing Director of the company for a period of 3 years w.e.f 08th April, 2024 in the Annual General Meeting of the company held on 22nd August, 2023.

8. **Mr. Naveen Arora** (DIN: 09114375) was reappointed as the Whole-time Director of the company for a period of 3 years w.e.f 08th April, 2024 in the Annual General Meeting of the company held on 22nd August, 2023.

9. **Mr. Vinod Kumar Goyal** (DIN: 02751391) Chief Executive Officer (CEO) of the company, resigned from the post of Chief Executive Officer (CEO) and KMP of the Company w.e.f 20th October, 2023.

10. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) Independent Director of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 07th November, 2023.

11. **Ms. Meghna Mahendra Savla (DIN: 09152133)** was appointed as Additional Director (Independent Director) of the company w.e.f 08th November, 2023.

12. **Ms. Aarti Sharma** (ACS 68577) Company Secretary-cum-Compliance Officer of the Company, resigned from the post of Company Secretary-cum-Compliance Officer of the Company w.e.f 30th November, 2023.

13. **Mr. Rajeev Bhalla** (DIN: 00551773) Managing Director of the company was appointed as Chief executive officer (CEO) of the company w.e.f 09th November, 2023.

14. **Mr. Anukool Bhatnagar** (DIN: 09800892) Nominee Director of the Company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 15th January, 2024.

15. **Mr. Rajiv Kumar Maheshwary** (DIN: 07342702) Independent Director & Chairperson of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 07th February, 2024.

16. **Ms. Meghna Mahendra Savla (DIN: 09152133)** Additional Director (Independent Director) of the company was designated as Chairperson of the company w.e.f 07th February, 2024.

The following changes occurred in the directorship of the company after the closure of financial year ending on 31st March, 2024 but before signing of this report :-

1. **Ms. Nidhi Aggarwal** (DIN: 09149030) Independent Director of the company, resigned from the directorship of the company and accordingly she ceased to hold the office of director of the company w.e.f 14th May, 2024.

2. **Ms. Meghna Mahendra Savla** (DIN: 09152133) Independent Director & Chairperson of the company, resigned from the directorship of the company and accordingly she ceased to hold the office of director of the company w.e.f 14th May, 2024.

3. **Mrs. Seema Singh** (DIN: 10042852) was appointed as Additional Director (Independent Director) of the company w.e.f 22nd May, 2024.

4. **Mr. Manjit Singh Kochar** (DIN: 08298764) was appointed as Additional Director (Independent Director) of the company w.e.f 22nd May, 2024.

5. **Mr. Manjit Singh Kochar** (DIN: 08298764) was designated as chairperson of the company w.e.f 22nd May 2024.

Further, the Board of Directors have recommended –

1. Appointment of **Mrs. Seema Singh (DIN: 10042852)** as a Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

2. Appointment of **Mr. Manjit Singh Kochar (DIN: 08298764)** as a Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

12. LISTING WITH EXCHANGES AND LISTING FEES:

The Equity Shares of the Company are presently listed with Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Ltd. (NSE). Further, the Company has paid listing fees to both the exchanges (i.e. BSE and NSE) up to financial year 2024-25.

13. AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the company at its Annual General Meeting held on 22nd September, 2022, had appointed M/s Kamboj Malhotra & Associates, (Formerly Known as M/s Malhotra Manik & Associates), Chartered Accountants, Ludhiana, (Firm Registration No. 015848), as statutory auditors of the Company. The present term of M/s Kamboj Malhotra & Associates, as Statutory Auditors would expire till the conclusion of the Annual General Meeting of the Company to be held in the year 2027.

14. AUDITORS' REPORT:

M/s Kamboj Malhotra & Associates, (Formerly Known as M/s Malhotra Manik & Associates), Chartered Accountants, Ludhiana, (Firm Registration No. 015848), have audited the financial statements of the

Company for the financial year ended March 31, 2024. The report of Auditors and notes on accounts are self-explanatory and do not call for any further comments as there are no adverse remarks/qualified opinion by the Auditors.

15. COST AUDITORS:

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year and accordingly such accounts and records are made and maintained. The Board appointed M/s. Jatin Sharma & Co., Cost Accountants, as cost auditors of the Company for the financial year 2024-25 at a fee of INR 77,000 plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing annual general meeting. The cost audit report for the financial year ended March 31, 2024 would be filed with the Central Government.

16. BOARD MEETINGS:

During the year under review, the Board met Five (5) times and the intervening gap between any two meetings was within the period prescribed under Companies Act, 2013. The details of Board Meeting are set out in Corporate Governance Report which forms part of this Annual Report.

17. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:

The meeting of Independent Directors of the Company for the financial year 2023-24 was held on 27th July, 2023, to evaluate the performance of Non-Independent Directors, Chairperson of the Company and the Board as a whole. The evaluation was done by way of discussions on the performance of the Non-Independent Directors, Chairperson and Board as a whole. A policy on the performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of non-executive directors and executive directors has been formulated by the Company.

The Board of Directors has evaluated the performance of the Board, its Committees and the Individual Directors as per the Nomination and Remuneration Policy.

18. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION:

The Nomination & Remuneration Committee of the Company has formulated the 'Nomination & Remuneration Policy' on Director's appointment and remuneration which includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed hereto and forms part of this Report as Annexure E and is also available on the website of the Company at http://www.selindia.in/uploads/Policies-and-Codes/8-Remuneration-Policy.pdf

19. DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent directors of the company have given their statement of declaration under Section 149(7) of the Companies Act, 2013 ("the Act") that they meet the criteria of independence as provided in Section 149(6) of the Act, and their Declarations have been taken on record.

20. RISK MANAGEMENT:

The Risk Management Policy required to be formulated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been duly formulated and approved by the Board of Directors of the Company. The aim of Risk Management Policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management policy may be accessed on the Company's website at http://www.selindia.in/uploads/Policies-and-Codes/17-Risk-Management-Policy.pdf.

21. LOANS, GUARANTEES & INVESTMENTS BY THE COMPANY:

Details of loans, guarantees and investments by the Company to other body corporates or persons are given in Financial Statements/Notes to the financial statements.

22. MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS:

The Company went through Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code (IBC), 2016, pursuant to an application filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by State Bank of India against SEL Manufacturing Company Limited ("Corporate Debtor"), under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"), The Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 had approved the Resolution plan submitted by Consortium of Arr Ess Industries Private Limited and Leading Edge Commercial FZE ("Consortium" or "Resolution Applicant") in respect of SEL Manufacturing Company Limited ("Company").

23. MATERIAL CHANGES & COMMITMENTS:

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year 2023-24 and till the date of this report. '

24. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in SEL through various interventions and practices. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company believes in prevention of harassment of employees as well as contractors. During the year ended 31 March, 2024, no complaints pertaining to sexual harassment were received.

25. RELEVANT EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under the provisions of the Companies Act, 2013, forms an integral part of Board Report. Form MGT-9 is available on the website of the Company and can be accessed at http://www.selindia.in/annual-return.html.

26. SECRETARIAL AUDIT:

M/s Harshit Arora & Associates, Ludhiana (CP No. 14807), were appointed as Secretarial Auditors of the Company by the Board of Directors of the Company for the financial year 2022-23 & 2023-24. The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2024. This Report is self-explanatory and requires no comments. The Report forms part of this report as **Annexure F.**

27. RELATED PARTY TRANSACTION:

The Company has a policy to regulate the transactions of the Company with its related parties. As per policy, all related party transactions require approval as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The said policy is available on Company's website at weblink http://www.selindia.in/uploads/Policies-and-Codes/9-Policy-on-Related-Party-Transactions.pdf. Further, the Company has also formulated a policy for determining 'material' subsidiaries. The said policy is available on the Company's website viz. www.selindia.in/policy.html. Details of transactions are also given in **Annexure B** to this report in form **AOC 2.**

28. VIGIL MECHANISM:

The Company has in place a whistleblower policy, to support the Code of Business Ethics. This policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual or suspected fraud or any violation of Company's Code of Business Ethics at a significantly senior level without fear of intimidation or retaliation.

Individuals can also raise their concerns directly to the chairman of the Audit Committee of the Company. Any allegations that fall within the scope of the concerns identified are investigated and dealt with appropriately. Further, during the year, no individual was denied access to the Audit Committee for reporting concerns, if any. The details of establishment of vigil mechanism for Directors & employees to report genuine concerns are available at the website of the Company viz. www.selindia.in/policy.html.

29. INTERNAL FINANCIAL CONTROLS & ITS ADEQUACY:

SEL continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

30. FAMILIARISATION PROGRAM FOR DIRECTORS:

The Company provides an orientation and business overview to all its new Directors and Independent directors and provides materials and briefing sessions periodically which assists them in discharging their duties and responsibilities.

The Directors of the Company are also informed of the important developments in the Company and Industry. Directors are fully briefed on all business related matters, and initiatives proposed by the Company and updated on changes and developments in the domestic & global corporate and industry scenario. The details of the familiarization program for Directors is available on the website of the Company viz. http://www.selindia.in/uploads/Policies-and-Codes/11-Familization-Programme-Policy.pdf

31. AUDIT COMMITTEE:

The Board has constituted its Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company presently comprises of the following members namely:

1) Mr. Manjit Singh Kochar
2) Mr. Dinesh Kumar Mehtani
3) Mrs. Seema Singh

Mr. Manjit Singh Kochar is the Chairman of the said committee.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo is given in **Annexure C** to this report.

33. PARTICULARS OF EMPLOYEES:

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are set out in the **Annexure- D** to this report and forms part of this report.

34. BUSINESS RESPONSIBILITY REPORT:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate the inclusion of the Business Responsibility & Sustainability Report as part of the Annual Report for top 1000 listed entities based on market capitalization, However, this year the company does not fall under the top 1000 listed entities based on market capitalization, hence there is no requirement to prepare such report.

35. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 2013. The Directors confirm that:

a) In the preparation of the annual accounts/financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) Appropriate accounting policies have been selected and applied consistently and have 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 as at 31st March, 2024 and of the profit/loss of the Company for the year ended on 31st March, 2024;

c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts/financial statements have been prepared on a going concern basis.

e) That Internal financial controls were laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) Proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36. CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company based on Annual Financial Statements. Accordingly, the Corporate Social Responsibility Committee was dissolved during the year. The same will be reconstituted as and when the same becomes applicable to the Company.

37. ACKNOWLEDGEMENT:

Your Directors express their gratitude to the Company's vendors, customers, Banks, Financial Institutions, Shareholders & society at large for their understanding and support. Finally, your Directors acknowledge the dedicated services rendered by all employees of the company.

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud,
G.T. Road, Ludhiana – 141014 (Punjab)

NAVEEN ARORA
Whole-time Director
DIN: 09114375

RAJEEV BHALLA
Managing Director
DIN: 0551773

ANNEXURE- A TO THE DIRECTORS' REPORT

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

S. No	Particulars	Amount in Rs (in Lakhs) For the Financial Year ended 31/03/2024
1.	Name of the subsidiary	*SEL Aviation Private Limited
2.	The date since when subsidiary was acquired	26/03/2012
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-
5.	Share Capital	-
6.	Reserves and Surplus	-
7.	Total Assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before Taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	-

***During the year, the subsidiary of the company has been struck off by the Registrar of Companies, Punjab & Chandigarh based on the application filed under Section 248 (5) of the Companies Act, 2013.**

Part B Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

The Company does not have any Associates and Joint Ventures

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
NIL			

Name of the Subsidiaries which are yet to commence operations	Names of Subsidiaries which has been liquidated and sold during the year
---	**SEL Aviation Private Limited** (Strike off application was filed by Subsidiary Company and consequently approved by Registrar of Companies)

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud,
G.T. Road, Ludhiana – 141014
(Punjab)

NAVEEN ARORA
Whole-time Director
DIN: 09114375

RAJEEV BHALLA
Managing Director/ CEO
DIN: 0551773

NAVNEET GUPTA
Chief Financial Officer

ANNEXURE- B TO THE DIRECTORS' REPORT

FORM NO. AOC -2

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

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS.

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/ arrangements/ transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Date of approval by the Board	NIL
f)	Amount paid as advances, if any	NIL

The company does not entered into any such transactions as prescribed under Section 188 (1) of the Companies Act, 2013. Therefore, the details mentioned in aforesaid table are reported as NIL.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in compliance with the applicable provisions of the Act and Listing Agreement. There were no materially significant related party transactions made by the Company with promoters, Directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The details of the transactions with Related Parties are provided in the accompanying financial statements.

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud, G.T. Road, Ludhiana – 141014 (Punjab)

NAVEEN ARORA
Director
DIN: 09114375

RAJEEV BHALLA
Managing Director/ CEO
DIN: 0551773

ANNEXURE- C TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

i) Steps taken or Impact on conservation of energy:

The company provides high priority to energy conservation schemes to conserve natural resources and is regularly taking effective steps to conserve energy wherever possible. This continues to remain thrust area with studies, discussions and analysis being undertaken regularly for further improvements. Energy Conservation is an ongoing process in the Company. The Company continued its efforts to improve energy usage efficiencies.

ii) Steps taken by the company for utilizing alternate sources of energy:

SEL continues to work on reducing carbon footprint in all its areas of operations through initiatives like a) green infrastructure b) green IT (data centers, laptops and servers etc. c) operational energy efficiency, d) Green data centers. e) Power generation thorough own captive power plants.

iii) Capital Investment on energy conservation equipment etc.:

The company has installed its own Captive Power Plant (CPP turbine). The details of its utilization is given as under:

(a) Captive Power Plant (CPP Turbine)	**2023-24**	**2022-23**
Units (Lac)	43.39	112.87
Husk per Unit (kg)	1.83	2.38
Cost/Unit (Rs.)	11.57	11.27

B. RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION

Specific areas in which R & D activities/Technology Absorption were carried out

- Quality Improvement
- Yield/Productivity Improvement
- Energy Conservation
- New Technology/Product development

Benefits Derived

- Better Quality; reduced wastages
- Cleaner environment
- Safer operations and improved competitiveness

Future Plan of Action

Management is committed to strengthen R & D activities for product development and to improve its competitiveness in the times to come.

Expenditure on R & D - Nil

Technology Absorption

The Company has not imported any technology from abroad during the last five years. However the company has been using the imported machinery. The Company has been making efforts for absorption of latest technology.

Benefits Derived

The Company has achieved improvement in quality and lower cost of production.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. There have been concentrated efforts to maintain and improve exports performance and to meet the need of end users.

Rs in lac

	2023-24	2022-23
(i) Foreign Exchange earned	-	-
(a) FOB value of exports as per Balance Sheet	485.66	1023.92
(b) Overseas Income	-	-
(ii) Foreign Exchange used	-	-
(a) CIF value of Imports	-	77.55
(b) Other Expenditure	-	33.29
(c) Overseas Expenditures	-	-

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud,
G.T. Road, Ludhiana – 141014 (Punjab)

NAVEEN ARORA
Director
DIN: 09114375

RAJEEV BHALLA
Managing Director/ CEO
DIN: 0551773

ANNEXURE- D TO DIRECTORS' REPORT

Information pursuant to provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Directors' Report for the financial year ended 31st March, 2024:

1. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR/KMP DURING THE FINANCIAL YEAR 2023-24 AND RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24 ARE AS UNDER:

S.No.	Name of	Designation	Remuneration Rs in lac	% Increase in Remuneration In the Financial Year 2023-24	Ratio of Remuneration of each Director/KMP to Median Remuneration of Employees
1.	Mr Rajeev Bhalla	Managing Director	-	Nil	-
2.	Mr Naveen Arora	Whole-time Director	20.64	Nil	11.79
3.	Mr Dinesh Kumar Mehtani	Non-executive Director	1.45	Nil	0.83
4.	Mr Shashankrai	Non-executive Director	-	Nil	-
5.	Mr Rajeev Kumar Maheshwary	Independent Director	1.10	Nil	0.63
6.	Ms Nidhi Aggarwal	Independent Director	1.00	Nil	0.57
7.	Ms. Meghna Mahendra Savla	Independent Director	0.60	Nil	0.34
8.	Mr Ashwani Kumar Khanna	Independent Director	0.80	Nil	0.46
9.	Mr Anukool Bhatnagar	Nominee Director	0.80	Nil	0.46
10.	Mr Navneet Gupta	Chief Financial Officer	36.00	Nil	20.57
11.	Mr Vinod Kumar Goyal	Chief Executive Officer	45.50	Nil	26.00
12.	Aarti Sharma	Company Secretary	1.00	Nil	0.57

Note:

a) The median remuneration of employees of the Company during the financial year 2023-24 was 1.75 Lakh.
b) During the financial year, there was a slight increase of 0.99% in the median remuneration of employees.
c) There were 169 permanent employees on the rolls of Company as on March 31, 2024.
d) 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 – During the year, there was no increase in the salary of any employee, nor was there any increase in the managerial remuneration.

2. PERSONS EMPLOYED THROUGHOUT THE FINANCIAL YEAR, WHO WERE IN RECEIPT OF REMUNERATION WHICH, IN THE AGGREGATE, WAS NOT LESS THAN RS 1,02,00,000/- PER ANNUM: NIL

S.No.	Name	Age	Designation/ Nature of Duties	Gross Remuneration (Rs)	Qualifi-cation	Experience (Years)	Date of joining	Previous Employment	Percent Equity Shares held as on 31.03.2024
NA									

3. PERSONS EMPLOYED FOR A PART OF FINANCIAL YEAR, WHO WERE IN RECEIPT OF REMUNERATION FOR ANY PART OF THAT YEAR, AT A RATE WHICH IN AGGREGATE, WAS NOT LESS THAN RS 8,50,000/- PER MONTH – Nil

4. STATEMENT SHOWING DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN:

S.No.	Name	Age	Designation	Gross Remune ra- tion Rs in lac	Qualifi- cation	Expe rienc e (in yrs)	Date of Joining	Previous Employment	% of Equity shared held as on 31.03.2024	Whether relative of any director and if so, name of such director
1	Rajesh Singla	58	President - Raw Material	42.24	MBA	33	29-Nov-10	Vardhman Textiles Limited	No	No
2	Navneet Gupta	53	Chief Financial Officer	36.00	CA	28	8-May-08	SEL Manufacturing Company Limited	No	No
3	Gourav Goyal	43	General Manager (Marketing)	16.80	Graduate	18	04-Dec-23	T.C. Terrytex Ltd.	No	No
4	Jagdish Chand Thakur	54	Vice President (Operations)	14.16	Graduate	28	13-Nov-08	T.C. Terrytex Ltd.	No	No
5	Rohit Kumar	45	General Manager (HR)	10.20	B.Sc., LL.B., Master in Industrial Relation & Personnel Mgt.)	19	07-Feb-24	Grawalia Ispat Private Limited	No	No
6	Vijay Sharma	66	Senior Manager	8.64	Graduate	39	01-Apr-08	Punjab Woolcombers Ltd.	No	No
7	Pardeep Sharma	50	Manager (Civil)	8.64	Graduate	26	01-Jun-10	Shobagia Sales Private Limited	No	No
8	Santosh Kumar Gupta	34	Manager (Purchase)	7.80	Graduate	10	01-Jul-23	Rhythm Textiles & Apparels Private Limited	No	No
9	Manoj Kumar	53	Manager (Raw Material)	7.35	MBA	28	10-May-10	Vardhman Textile Ltd.	No	No
10	Kush Kumar Patial	58	Chief Manager (Engg.)	7.20	Graduate	32	01-Jul-23	Shiva Texfab Ltd.	No	No

Note:

a) Remuneration received includes basic salary, allowances, taxable value of perquisites etc.
b) Nature of employment - All employees are/were on Roll of the Company.
c) Nature of Duties- Employees are in charge of their respective departments as narrated above.

We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud,
G.T. Road, Ludhiana – 141014 PB

NAVEEN ARORA
Director
DIN: 09114375

RAJEEV BHALLA
Managing Director
DIN: 0551773

ANNEXURE-E TO THE DIRECTORS' REPORT
REMUNERATION POLICY

1. POLICY

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of SEL Manufacturing Company Limited ("the Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clauses of the Equity Listing Agreement ("Listing Agreement")/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law.

While formulating this policy, the factors laid down under Section 178(4) of the Act have been considered, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

Key principles governing this remuneration policy are as follows:

1. Remuneration for Independent Directors and Non-Independent Non-Executive Directors:

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination and Remuneration Committee and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognised best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the Non executive Directors and the Independent Directors will be recommended by the Nomination and Remuneration Committee to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The Nomination and Remuneration Committee will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the

company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

2. Remuneration for Managing Director ("MD")/ Executive Directors ("ED")/ KMP/ rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:

- Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent).
- Driven by the role played by the individual.
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay.
- Consistent with recognised best practices.
- Aligned to any regulatory requirements.

In terms of remuneration mix or composition:

- The remuneration mix for the MD/ EDs is as approved by the shareholders. In case of any change, the same would require the approval of the shareholders, if required, under the provisions of the Companies Act, 2013.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- The company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the Nomination and Remuneration Committee and approved by the Board.
- The company may provide the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud, G.T. Road,
Ludhiana – 141014 (Punjab)

NAVEEN ARORA
Director
DIN: 09114375

RAJEEV BHALLA
Managing Director
DIN: 0551773

ANNEXURE-F SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
SEL Manufacturing Limited
#274, G T Road,
Dhandari Kalan,
Ludhiana – 141 014

We have Conducted the Secretarial Audit of the Compliances of applicable Statutory provisions and adherence to corporate practices by **M/s SEL Manufacturing Limited** having (CIN: L51909PB2000PLC023679) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the **SEL Manufacturing Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company in for the financial year ended on 31st March 2024 according to the applicable provisions of:

   (i) 0The Companies Act, 2013 (the "Act") and the rules made thereunder including any re-enactment thereof;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') viz:

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the period under review)**

      c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**(Not applicable during the period under review)**

d) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; **(Not applicable during the period under review)**

e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the period under review)**

g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable during the period under review)**

h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Other Laws which are specifically applicable to the Company to some extent.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India which are complied.

(ii) Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE) read with SEBI (LODR) Regulations, 2015 were not complied within due dates as per the annexure.

I further report that I have not reviewed the Compliance of applicable financial laws by the Company as the same has been subject to review by the Internal and Statutory Auditors;

I have relied on the information & representations made by the company & its officers for systems and mechanisms formed by the company for compliances under other applicable acts, laws and regulations to the company.

I further report on the basis of information received and records maintained by the company, that:-

(a) The Board of Directors of the Company was adequately constituted with Executive, Non-Executive and Independent Directors. **HOWEVER SHASHANK RAI (DIN: 08916697) WHO WAS APPOINTED AS ADDITIONAL DIRECTOR ON 13/03/2021 AND WAS REGULARISED BY WAY OF GENERAL MEETING RESOLUTION DATED 28.04.2022 BUT THE REQUISITE FORM HAS NOT YET BEEN FILLED.** There was a change in the composition of the Board of Directors during the period under review.

(b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(c) Majority decision was carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

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

I further report that during the audit period, the Company has undertaken specific event/action that can have a major bearing on the company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as follows:

(i) The Company has not complied with the provisions of regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Composition of Risk Management Committee and meeting to be held by Risk Management Committee, The decision taken by the Board of Directors to dissolve the Risk Management Committee in the meeting held on 30 May 2023 was inadvertent due to misinterpretation of the SEBI regulations, however the same has already been rectified by the board of directors of the company by constituting Risk Management Committee on 16th November, 2023.

(ii) The Company has not complied with the provision of Rule 8 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) 2015, as the company have not been able to appoint a company secretary after resignation of Ms. Aarti Sharma (ACS 68577) from the post of Company Secretary-cum-Compliance Officer of the Company w.e.f 30th November, 2023.

We further report that the above secretarial audit report has been given on the records and information made available by the Company. As on date of this report the company has started making the compliance which were pending during the period under review.

For HARSHIT ARORA & ASSOCIATES
Company Secretaries

(CS HARSHIT ARORA)
Prop
M. No.: F12307
CP No.: 14807
PR No. 2073/2022

Place: Ludhiana
Date: 29.07.2024

UDIN : F012307F000850661

To
The Members
SEL Manufacturing Limited
#274, G T Road,
Dhandari Kalan,
Ludhiana – 141 014

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For HARSHIT ARORA & ASSOCIATES
Company Secretaries

(CS HARSHIT ARORA)
Prop
M. No.: F12307
CP No.: 14807
PR No. 2073/2022

Place: Ludhiana
Date: 29.07.2024

UDIN : F012307F000850661

ANNEXURE

1.	**Maintenance and disclosures on Website:** ● The Listed entity is maintaining a functional website ● Timely dissemination of the documents/ information under a separate section on the website ● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website	No	The Company is not maintaining the functional website.
2.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBIregulation/circular/guidance note etc.	No	1. The Company has not complied with the provisions of regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding achieving minimum public shareholding as prescribed in SEBI circulars. 2. The Company has not complied with the provisions of regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Composition of Risk Management Committee and meeting to be held by Risk Management Committee.

(CS HARSHIT ARORA)
M. No.: F12307
CP No.: 14807
PR No. 2073/2022

Place: Ludhiana
Date: 29.07.2024

CORPORATE GOVERNANCE REPORT

The governance philosophy is based on trust, accountability, and ethical corporate relationship. Good governance practices stem from the culture and mindset of the organization and at SEL, we are committed to meet the aspirations of all our stakeholders. We consider our stakeholders as our partners in our success and we remain committed to maximizing stakeholder value, be it employees, suppliers, customers, investors, communities or policy makers etc. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values. We are committed to sound corporate governance principles and practices and constantly strive to adopt emerging best practices being followed worldwide.

1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

India is the world's second-largest producer of textiles and garments. The fundamental strength of the textile industry in India is its strong production base of a wide range of fiber/yarns from natural fibers like cotton, jute, silk and wool to synthetic/man-made fibers like polyester, viscose, nylon and acrylic. The textile industry serves as the platform offering a huge number of employment opportunities to eligible people in India. Both skilled laborers and unskilled officials are needed to run this business smoothly. India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers.

However, in recent times prices of cotton have increased significantly. The main reasons behind this rise are: lower domestic cotton production, higher demand and increasing international prices. Large cotton traders and multinational companies (MNCs) purchased and stockpiled huge quantities of cotton. Some quantity has also been exported. As prices skyrocket, the smaller mills are unable to purchase cotton due to working capital shortages. Orders from textiles firms have dried out as spinning yarn and knitting garments at the current cotton prices is becoming unviable for companies.

(a) Industry Structure and Development

India's textile exports experienced a setback for the second consecutive year in 2023-24, the decline can be attributed to geopolitical tensions casting a shadow on the global economy. In the fiscal year 2023-24, exports amounted to $34.4 billion, marking a decline of over $1 billion (3%) compared to the previous fiscal year. Additionally, exports saw a significant drop of 16.3% compared to the fiscal year 2021-22, when the country reported exports worth $41 billion. Within the textile sector, the segment encompassing cotton yarn, fabrics, made-ups, and handloom products witnessed a notable year-on-year increase in exports by $740 million in 2023-24 over the previous year, attributed to a surge in cotton yarn exports. This year, demand has slowed down as raw material prices are too high. The price of cotton in India had more than doubled to cross Rs 100,000 mark per candy during the current financial year. On the other hand, the prices of yarn continue to be low on account of low demand. This has also impacted capacity utilization across the entire textile industry during the year.

Investments and Key Developments:

As of the year 2023-24 Cotton continues to dominate textile industry in India, accounting for nearly 3/4th (75%) of the total fibre consumption in the country. This preference for natural fibres contrasts with the global trend where manmade fibres hold a 70% share of total fibre consumption. However manmade fibers still dominate globally, comprising 70% of total fiber consumption. Natural fibers, including cotton, have a smaller share globally. Cotton remains a

crucial cash crop, contributing significantly to global fiber production. It holds approximately 25% of the total global fiber production. Cotton maintains a substantial share, constituting around 59% of the raw material consumption basket of the Indian textile industry. The textile industry continues to be a major employer in India, directly employing more than 18 million people and indirectly supporting over 20 million jobs. The industry contributes around 3% to India's GDP and nearly 12% to industrial production. India maintains its position among the top five global exporters in various textile categories, including natural fibers, MMF spun yarn, filament yarn, woven fabric, and home textiles.

The Company:

The Company is vertically integrated multi-product textile company, manufacturing various kinds of Yarn and Terry Towels with production facilities located at various locations in India. The Company has integrated business operations. Its key competitive advantage is presence across the entire textiles chain right from sourcing the fiber/cotton to yarn production, fabric production to garmenting and terry towels. The integration allows the Company to optimize decisions of in-house and external sales and purchase at every stage to improve business returns depending on market conditions. It is this flexibility that provides the Company with a strong competitive edge in the market.

However, the performance of the Company was adversely affected during the year on account of High prices of raw material. Further, the Company is facing financial risks like shortage of working capital and non-availability of LC discounting limits. The Company's name continues to appear in CIBIL & fraud list notwithstanding the adoption and implementation of the resolution plan. Further, as redundant charges continue appearing in the records of MCA against the name of the Company, the rating agencies are reluctant to assign credit rating. This has very severely & adversely impacted the business of the Company and the Company is losing the confidence of its customers and suppliers. The Company is even facing problem in recruitment of talented personnel in the key functional areas like Marketing, HR, Operations and others so vital for the smooth functioning of the organisation. All these risks, if not resolved, may aggravate further in the times to come. From the industry perspective, the plants were shut down during some part of the year, though partially restored but capacity enhancement is restrained due to the above referred systemic risks faced by the Company. The tough situation of liquidity needs to be resolved to restore the business operations of the Company.

(b) Company's Performance:

During the year under review, your company has achieved Revenue from Operations of Rs. 37,427.31 lacs as compared to Rs. 55,436.76 lacs in the previous year. After deducting Expenses there was a loss of Rs. 20,441.56 lacs as compared to loss of Rs. 19,612.62 lacs during the previous year. After adjusting Exceptional Items there was Loss of Rs. 19,295.33 lacs as compared to loss of Rs. 18,591.15 lacs during the previous year. After providing for other adjustments/comprehensive income, the current year Loss stood at Rs. 20,480.84 lacs as compared to the Loss of Rs. 1,1523.13 lacs during the previous year.

Product wise Performance:

The product wise performance during the year vis-à-vis previous fiscal is tabulated below:-

Rs in lac

S.No.	Particulars	2023-24	2022-23
1	Terry Towel	3,080.03	8,816.63
2	Yarn	31,264.97	40,786.56
3	Garment	9.36	27.14
4	Knitted Cloth	-	1,207.36
5	Others	2,918.49	1989.26
6	Job Work	154.46	2609.81
	Total	**37,427.31**	**55,436.76**

The Company is functioning in only one Reportable Segment i.e. Textiles, hence Segment Reporting is not applicable.

Earlier, the Company went through Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code (IBC), 2016, pursuant to an application filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by State Bank of India against SEL Manufacturing Company Limited ("Corporate Debtor"), under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"),

The Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 had approved the Resolution plan submitted by Consortium of Arr Ess Industries Private Limited and Leading Edge Commercial FZE ("Consortium" or "Resolution Applicant") in respect of SEL Manufacturing Company Limited ("Company"). Since the implementation of the Resolution Plan in March, 2021, the Company was taken over by the new management.

(c) Dividend

No dividend has been declared for the financial year 2023-24.

(d) Outlook: Opportunity, Threats, Risks & Concerns:

Several obstacles faced by the Indian textile industry recently:

- In the last financial year, factory owners were forced to close due to the shortage of manpower. The lack of funds to buy raw materials for production was another drawback in this industry.
- Many textile companies face severe labor shortages and lack of regular transportation, if the factories are located in remote places.
- Cotton textile is the major player in the Indian textile industry. The price of cotton has risen too much now, which is a major setback for textile industry owners. They find it hard to maintain their supply chain due to this price hike.
- The inflation in the Indian economy results in frequent demands among laborers for salary hikes. Thus, industry owners do not find the means to expand their business and compete with global textile leaders from other countries.
- The high cost of power in India is another hindrance to textile production. Most modern machines are power-driven, which raises the overall production costs for business owners.

Challenges:

The Indian textile industry is at present is one of the largest and most important sectors in the economy in terms of output foreign exchange earnings and employment in India. The Textile industry has the enriched potential to scale new height in the globalized economy. The textile industry in India has gone through significant charges in anticipation of increased international competition. The industry is facing numerous problems and among them the most important ones are those of cotton price rise and liquidity for many organized sector units, and insufficient price realization. The long-range problems include the need for sufficient modernization and restructuring of the entire industry to cater more effectively to the demands of the domestic and foreign markets for textiles as per the needs of today and tomorrow.

Opportunities

Fortunately, the Indian government has taken a series of positive steps to support the textile industry in this country. The Union Ministry of Textiles is more active in developing the textile industry, by constant coordination with business owners of this sector. The Union Budget for 2024-25 also announced some benefits that can help in the growth of the Indian textile industry.

The future of the Indian textile industry:

India is now recognized as one of the largest producer of cotton and jute garments in the world. There is tough competition from China, Bangladesh, Pakistan, and Vietnam for exporting textile products in the global market. However, the Indian textile industry still manages for a comeback even after the decline of the business in 2020- 21. Since the textile industry not only comprises large textile mills and high-end garment boutiques, self-employed artisans from rural areas are also promoted through government schemes, like MGNREGA. Many rural cooperatives and NGOs are also providing support to people working on a small-scale for the textile industry.

The technical matters of the textile industry have improved a lot in recent years. However, the Indian textile industry still needs to progress in the research and development of designs. The quality of raw materials also needs to be upgraded for the production of the best quality garments.

Principal operating strategies:

Our focus firstly would be on resolving the liquidity problems faced by the Company and normalization of operations of the Company.

Threats, risks and concerns:

Cotton, power and fuel costs are of concern. In recent times prices of cotton have increased significantly and have affected the business. There are general threats/risks like Labor availability, Increase in Input Costs, Consumer sentiment, Competition, Currency Movements, Change in Government Policies and other Trade barriers. Our primary raw material is cotton, which we source from the domestic market. Cotton is an agricultural product and its supply and quality are subject to forces of nature. Any material shortage or interruption in the domestic supply or deterioration in the quality of cotton due to natural causes or other factors could result in increased production costs, which we may not successfully be able to pass on to customers, which in turn would have a material adverse effect on our business. Any increase in cotton prices would have a material adverse effect on our business. Power and Fuel are also major

manufacturing costs while producing textiles. Any increase in these costs has a negative impact on the profits of the company.

(e) Internal Control System and their adequacy

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. We believe that the Internal Control System must tend to develop a strong culture of Internal control for which it must encourage all personnel to understand its importance and to commit actively with the process and the management shall also promote high ethics and integrity standards in the staff. The systems adopted by the Company provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

(f) Human Resources:

The aim is to create an inclusive working environment that attracts and retains the best people, enhances their flexibility, capability and motivation and encourages them to be involved in the growth of the Company. We believe in sophisticated equipment and skilled employee resources, together with strong management and design capabilities. As on 31.03.2024, the Company had 338 number of employees on rolls of the company.

(g) Details of significant changes in key financial ratios:

Ratios	Numerator	Denominator	31st March 2024	31st March 2023	% Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	0.10	0.50	80.17	The current ratio for FY 2023-24 was 0.10 times as compared to 0.50 times in the previous year, mainly on account of decrease in current assets & increase in current liabilities. The total current assets for the year were Rs. 2,905.80 lakhs as compared to Rs. 8,817.17 lakhs in the previous year. The current liabilities for the year were Rs. 29,221.36 lakhs as compared to Rs. 17,611.98 lakhs in the previous year.
Debt Equity Ratio	Total Liabilities	Total Equity	(17.46)	6.28	378.20	This increase is on account of the reduction in reserves of the company
Debt Service Coverage Ratio	Earnings before Interest, Taxes & Non-Operating Income/expense	Total Debts Service Costs	(0.90)	(1.56)	42.16	This decrease is on account of the negative earnings & higher interest cost during the year.
Return on Equity (ROE)	Net Profit	Total Net Worth	342.18	(125.26)	373.18	This decrease is on account of the negative earnings & net worth during the year.
Inventory Turnover	Sales	Average Inventory	30.75	27.21	13.04	Not Applicable

(in days)						
Trade Receivables Turnover (in days)	Net Credit Sales	Average Debtors	3.28	20.58	84.09	The trade receivables turnover ratio for the FY 2023-24 has improved with the improvement in collections.
Trade Payables Turnover (in days)	Net Credit Purchases	Average Trade Payables	106.63	39.48	170.10	The trade payables turnover ratio for the FY 2023-24 has increased. The Company has been trying to pay the payables on time wherever possible.
Net Capital Turnover Ratio	Net Sales	Working Capital (CA-CL)	(1.42)	(6.30)	77.47	The variation in ratio is mainly on account of negative working capital of the company.
Operating Profit/Loss Margin (%)	Operating Profit/Loss after Tax	Net Sales	(10.88)	33.54	132.44	The variation in ratio is mainly on account of net losses of the company
Net Profit Margin (%)	Net Profit after tax	Net Sales	(51.55)	(33.54)	53.73	The variation in ratio is mainly on account of net losses of the company.
Return on Capital Employed	Earnings before Interest & Taxes	Capital Employed	(0.16)	(0.14)	20.95	Not Applicable

Cautionary Statement:

Statements in Management discussion and analysis report with regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the management envisages in terms of performance and outlook. Market data and product information contained in this report have been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot be assured.

The management of the Company reserves the right to re-visit any of the predictive statement to decide the best course of action for the maximization of the shareholders' value apart from meeting social and human obligations.

2. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.

A) Code of Business Conduct and Ethics for Directors and Senior Management:

A declaration signed by the CEO is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2023-24.

Rajeev Bhalla
Chief Executive Officer

3. BOARD OF DIRECTORS/BOARD MEETINGS

a) Board Meetings

The Board met 5 times during the financial year 2023-24. These meetings were held on 30.05.2023, 27.07.2023, 14.09.2023, 09.11.2023 and 14.02.2024.

b) Composition

The details of the Board composition, attendance of Directors at Board Meetings held during 2023-24 and their other memberships are given below:

S.No.	Name	Designation	Category	No. of Meetings attended	Attendance at last AGM	Total No. of Directorships in other Public Limited Companies		Total No. of Committee positions in Public Limited Companies		Directorships in other listed entities
						Chairperson	Member	Chairperson	Member	
1.	Mr Rajeev Bhalla	Managing Director Cum CEO	Executive Director	3	Yes	--	--	--	--	--
2.	Mr Shashank Rai	Director	Non-Executive - Non Independent Director	1	--	--	--	--	--	--
3.	Mr Dinesh Kumar Mehtani	Director	Non-Executive - Non Independent Director	5	Yes	--	--	--	--	--
4.	Mr Naveen Arora	Whole-time Director	Executive Director	3	Yes	--	--	--	--	--
5.	Mr Rajiv Kumar Maheshwary	Director	Non-Executive - Independent Director	4	Yes	--	--	--	--	--
6.	Mr Sushil Kumar	Director	Non-Executive - Independent Director	-	--	--	--	--	--	--
7.	Ms Nidhi Aggarwal	Director	Non-Executive - Independent Director	4	Yes	--	--	--	--	--
8.	Mr. Anukool Bhatnagar	Director	Non-Executive - Nominee Director	4	Yes	--	--	--	--	--
9.	Mr. Ashwani Kumar Khanna	Director	Non-Executive - Independent Director	3	Yes	--	--	--	--	--
10.	Ms. Meghna Mahendra Savla	Director	Non-Executive - Independen	2	--	--	4	--	5	3

			t Director							

Notes:

1. **Mr. Dinesh Kumar Mehtani** (DIN: 08909769), Director of the Company, retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Details of appointment and terms are given in detail in the Notice/Annexure to Notice for the ensuing Annual General Meeting. The Board recommended his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

2. **Mr. Sushil Kumar** (DIN: 00126157), Independent Director of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company with effect from 17th April, 2023.

3. **Mr. Anukool Bhatnagar** (DIN: 09800892) was appointed as Nominee Director of the Company w.e.f 28th April, 2023.

4. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) was appointed as Additional Director (Independent Director) of the company w.e.f 23rd May, 2023.

5. **Ms. Aarti Sharma** (ACS 68577) an associate member of the Institute of Company Secretaries of India was appointed as Company Secretary of the company w.e.f 01st June, 2023.

6. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) was appointed as Director (Independent Director) of the company for a period of 5 years w.e.f 23rd May, 2023.

7. **Mr. Rajeev Bhalla** (DIN: 00551773) was reappointed as the Managing Director of the company for a period of 3 years w.e.f 08th April, 2024 in the Annual General Meeting of the company held on 22nd August, 2023.

8. **Mr. Naveen Arora** (DIN: 09114375) was reappointed as the Whole-time Director of the company for a period of 3 years w.e.f 08th April, 2024 in the Annual General Meeting of the company held on 22nd August, 2023.

9. **Mr. Vinod Kumar Goyal** (DIN: 02751391) Chief Executive Officer (CEO) of the company, resigned from the post of Chief Executive Officer (CEO) and KMP of the Company w.e.f 20th October, 2023.

10. **Mr. Ashwani Kumar Khanna** (DIN: 01680456) Independent Director of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 07th November, 2023.

11. **Ms. Meghna Mahendra Savla (DIN: 09152133)** was appointed as Additional Director (Independent Director) of the company w.e.f 08th November, 2023.

12. **Ms. Aarti Sharma** (ACS 68577) Company Secretary-cum-Compliance Officer of the Company, resigned from the post of Company Secretary-cum-Compliance Officer of the Company w.e.f 30th November, 2023.

13. **Mr. Rajeev Bhalla** (DIN: 00551773) Managing Director of the company was appointed as Chief executive officer (CEO) of the company w.e.f 09th November, 2023.

14. **Mr. Anukool Bhatnagar** (DIN: 09800892) Nominee Director of the Company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 15th January, 2024.

15. **Mr. Rajiv Kumar Maheshwary** (DIN: 07342702) Independent Director & Chairperson of the company, resigned from the directorship of the company and accordingly he ceased to hold the office of director of the company w.e.f 07th February, 2024.

16. **Ms. Meghna Mahendra Savla (DIN: 09152133)** Additional Director (Independent Director) of the company was designated as Chairperson of the company w.e.f 07th February, 2024.

The following changes occurred in the directorship of the company after the closure of financial year ending on 31st March, 2024 but before signing of this report :-

1. **Ms. Nidhi Aggarwal** (DIN: 09149030) Independent Director of the company, resigned from the directorship of the company and accordingly she ceased to hold the office of director of the company w.e.f 14th May, 2024.

2. **Ms. Meghna Mahendra Savla** (DIN: 09152133) Independent Director & Chairperson of the company, resigned from the directorship of the company and accordingly she ceased to hold the office of director of the company w.e.f 14th May, 2024.

3. **Mrs. Seema Singh** (DIN: 10042852) was appointed as Additional Director (Independent Director) of the company w.e.f 22nd May, 2024.

4. **Mr. Manjit Singh Kochar** (DIN: 08298764) was appointed as Additional Director (Independent Director) of the company w.e.f 22nd May, 2024.

5. **Mr. Manjit Singh Kochar** (DIN: 08298764) was designated as chairperson of the company w.e.f 22nd May 2024.

Further, the Board of Directors have recommended –

1. Appointment of **Mrs. Seema Singh (DIN: 10042852)** as a Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

2. Appointment of **Mr. Manjit Singh Kochar (DIN: 08298764)** as a Director (Independent Director) of the Company to hold office for a term upto five consecutive years commencing from 22nd May, 2024."

- None of the Directors are related to each other.
- The Directorships held by directors as mentioned above, do not include directorships in foreign companies, alternate directorships, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.
- In accordance with Clause 26, Memberships/Chairpersonships of only the Audit committees and Stakeholders' Relationship Committees of all Public Limited Companies have been considered.
- The holding(s) of Directors in the Company as on 31.03.2024 – As at 31st March, 2024, none of the directors was holding any equity shares in the Company.
- As mandated by Regulation 17A and 26 (1) (b) of the Listing Regulations, None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies have been made by the Directors.
- The details of the familiarization program for Directors is available on the website of the Company viz. www.selindia.in/policy.html

Skills/expertise/competencies fundamental for the effective functioning of the Company in the context of its business and sector:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain

	environments.
Financial	Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and driving change and long-term growth.

Details of skills/expertise/competence of the Board of Directors during the year:

S. No.	Name	Skills/expertise/competence
1.	Mr Rajeev Bhalla	Innovation, Strategy, Technology, Leadership & Entrepreneurship
2.	Mr Shashank Rai	Strategy, Leadership & Entrepreneurship
3.	Mr Dinesh Kumar Mehtani	Financial, Banking & Finance
4.	Mr Naveen Arora	Financial, Accounts and Taxation
5.	Mr Rajiv Kumar Maheshwary	Planning, Management, Innovation and Technology
6.	Mr Sushil Kumar	Financial, Banking & Finance, Strategy, Audit
7.	Ms Nidhi Aggarwal	Planning, Management, Innovation and Technology
8.	Mr. Anukool Bhatnagar	Banking & Finance
9.	Mr. Ashwani Kumar Khanna	Finance, Accounts & Audit
10.	Ms. Meghna Mahendra Savla	Secretarial Compliances & Audit

Confirmation from the Board of Directors in context to Independent Directors:

In terms of Section 149(7) of the Companies Act, 2013, the Independent Directors have given a declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Board confirms that the Independent Directors fulfill the conditions specified in terms of the Companies Act, 2013 and the Listing Regulations and that they are Independent of the management of the Company. All the directors are in compliance with the limit on Independent Directorships of listed Companies as prescribed under Regulation 17A of the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the Listing Regulations.

None of the Independent Directors serve as Independent Director in more than seven listed entities. Each of the Independent Directors has registered their names on the online databank maintained by the Indian Institute of Corporate Affairs.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the year following Independent Directors resigned before the expiry of their tenure:

1. Mr Sushil Kumar resigned from the directorship (Independent Director) with effect from 17th April, 2023 due to his personal reasons.

2. Mr. Ashwani Kumar Khanna resigned from the directorship (Independent Director) with effect from 07th November, 2023 due to his personal reasons.

3. Mr. Rajiv Kumar Maheshwary resigned from the directorship (Independent Director) with effect from 07th February, 2024 due to his personal reasons.

The following Independent Directors resigned after the closure of financial year ending on 31st March, 2024 but before signing of this report

1. Ms. Nidhi Aggarwal resigned from the directorship (Independent Director) with effect from 14th May, 2024 due to her personal reasons.

2. Ms. Meghna Mahendra Savla resigned from the directorship (Independent Director) with effect from 14th May, 2024 due to her personal reasons.

c) Information of Directors including those being Appointed/Re-appointed

Particulars of Directors seeking appointment/re-appointment are given in the Annexure annexed to the Notice for the ensuing Annual General Meeting.

d) Audit Committee

The Audit Committee of the Company, during the year, comprised of the following members namely Mr. Rajiv Kumar Maheshwary (Chairperson), Ms. Nidhi Aggarwal, Mr. Ashwani Kumar Khanna and Mr. Dinesh Kumar Mehtani.

Pursuant to the resignation of Mr. Ashwani Kumar Khanna on 07th November, 2023, Ms. Meghna Mahendra Savla was appointed as a member of the Audit Committee with effect from 08th November, 2023. Accordingly, the constituent members of the Audit Committee after such changes were Mr. Rajiv Kumar Maheshwary (Chairperson), Ms. Nidhi Aggarwal, Mr. Dinesh Kumar Mehtani and Ms. Meghna Mahendra Savla.

Furthermore due to the resignation of Mr. Rajiv Kumar Maheshwary on 07th February, 2024, Ms. Meghna Mahendra Savla was designated as a Chairperson of the Audit Committee with effect from 07th February, 2024. Accordingly, the constituent members of the Audit Committee after such reconstitution were Ms. Meghna Mahendra Savla (Chairperson), Ms. Nidhi Aggarwal and Mr. Dinesh Kumar Mehtani.

The terms of reference of the Audit Committee are as contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as provided in Section 177 of the Companies Act, 2013.

During the Financial Year 2023-24, the Audit Committee met on 30.05.2023, 27.07.2023, 09.11.2023 and 14.02.2024. Attendance of each Member at the Audit committee meetings held during the year:

S. No.	Name	No. of Meetings attended
1.	Mr. Rajiv Kumar Maheshwary	3
2.	Mr. Ashwani Kumar Khanna	2
3.	Ms. Nidhi Aggarwal	3
4.	Mr Dinesh Kumar Mehtani	4

5.	Ms. Meghna Mahendra Savla	2

e) Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company, during the year, comprised of the following members namely Ms. Nidhi Aggarwal (Chairperson), Mr. Ashwani Kumar Khanna, Mr. Rajiv Kumar Maheshwary and Mr. Dinesh Kumar Mehtani.

Pursuant to the resignation of Mr. Ashwani Kumar Khanna on 07th November, 2023, Ms. Meghna Mahendra Savla was appointed as a member of Nomination & Remuneration Committee with effect from 08th November, 2023. Accordingly, the constituent members of the Nomination & Remuneration Committee after such changes were Ms. Nidhi Aggarwal (Chairperson), Mr. Rajiv Kumar Maheshwary, Mr. Dinesh Kumar Mehtani and Ms. Meghna Mahendra Savla.

Furthermore due to the resignation of Mr. Rajiv Kumar Maheshwary on 07th February, 2024, the constituent members of the Nomination & Remuneration Committee after such resignation were Ms. Nidhi Aggarwal (Chairperson), Mr. Dinesh Kumar Mehtani and Ms. Meghna Mahendra Savla.

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2023-24, the Nomination and Remuneration Committee met on 27th July, 2023 and 09th November, 2023. Attendance of each Member at the Nomination & Remuneration Committee meetings held during the year is given as follows:

S. No.	Name	No. of Meetings attended
1.	Mr. Rajiv Kumar Maheshwary	2
2.	Mr. Ashwani Kumar Khanna	1
3.	Ms. Nidhi Aggarwal	1
4.	Mr Dinesh Kumar Mehtani	2
5.	Ms. Meghna Mahendra Savla	1

The Nomination & Remuneration Committee is constituted to recommend/review the remuneration package of the Managing/Whole time/Executive Directors, based on performance.

The remuneration policy is directed towards rewarding performance, based on review of achievements.

The remuneration policy is in consonance with the existing Industry practice. Evaluation criteria for Independent Directors: The candidature of an independent Director is also evaluated in terms of the criteria for determining independence as stipulated under Companies Act, 2013, listing regulations and other applicable regulations or guidelines. In case of reappointment of Independent Directors, the Board shall take into consideration the results of the performance evaluation of the Directors and their engagement level.

f) Stakeholders Relationship Committee:

During the year, the Stakeholders Relationship Committee of the Company comprised of the following members namely Mr. Dinesh Kumar Mehtani (Chairperson), Mr Ashwani Kumar Khanna, Mr. Rajeev Bhalla, and Ms. Nidhi Aggarwal. The Compliance member of the committee is Mr. Dinesh Kumar Mehtani.

Pursuant to the resignation of Mr. Ashwani Kumar Khanna on 07th November, 2023, Ms. Meghna Mahendra Savla was appointed as a member of Stakeholders Relationship Committee with effect from 08th November, 2023. Accordingly, the constituent members of the Stakeholders Relationship Committee after such changes were Mr. Dinesh Kumar Mehtani (Chairperson), Mr. Rajeev Bhalla, Ms. Nidhi Aggarwal and Ms. Meghna Mahendra Savla.

The Committee's constitution and terms of reference are as per the provisions of Section 178 of the Companies Act, 2013 and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the committee meets to dispose of Investors complaints/requests as required.

During the Financial Year 2023-24, the Stakeholders Relationship Committee met on 27th July, 2023. Attendance of each Member at the Nomination & Remuneration Committee meetings held during the year is given as follows:

S. No.	Name	No. of Meetings attended
1.	Mr Dinesh Kumar Mehtani	1
2.	Mr. Ashwani Kumar Khanna	1
3.	Mr. Rajeev Bhalla	-
4.	Ms. Nidhi Aggarwal	-
5.	Ms. Meghna Mahendra Savla	-

During the Financial Year 2023-24, 6 investor complaints were received and resolved. Further, there was no pendency in respect of shares received for transfers/dematerialization.

g) Risk Management Committee

During the year, Risk Management Committee of the Company was re-constituted comprising of the following members namely, Mr. Rajeev Bhalla (Chairperson), Mr. Rajiv Kumar Maheshwary, and Mr. Dinesh Kumar Mehtani.

Pursuant to the resignation of Mr. Rajiv Kumar Maheshwary on 07th February, 2024, Ms. Meghna Mahendra Savla was appointed as a member of Risk Management Committee. Accordingly, the constituent members of the Risk Management Committee after such changes were Mr. Rajeev Bhalla (Chairperson), Mr. Dinesh Kumar Mehtani and Ms. Meghna Mahendra Savla.

The terms & conditions of the said committee are as per SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015. The Committee has been constituted in the financial year 2022-23.

During the Financial Year 2023-24, the Risk Management Committee met twice on 16th November, 2023 and 14th February, 2024. Attendance of each Member at the Risk Management Committee meetings held during the year is given as follows:

S.No.	Name	No. of Meetings attended
1.	Mr Rajeev Bhalla	1

2.	Mr Rajiv Kumar Maheshwary	1
3.	Mr Dinesh Kumar Mehtani	2
4.	Ms Meghna Mahendra Savla	1

The Company has formulated Risk Management Policy. The said policy is available on the Company's website viz. www.selindia.in/policy.html

h) Meeting of Independent Directors:

During the year under review, the Independent Directors met on 27th July, 2023, inter alia, to discuss:

i. Evaluation of performance of Non Independent Directors and the Board of Directors as a whole.
ii. Evaluation of performance of Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors.
iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarization program which provides information relating to the Company. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company.

The details of the Familiarization Programme conducted for the Independent Directors of the Company are available on the Company's website at www.selindia.in/policy.html

5. DIRECTORS' REMUNERATION:

The Company pays remuneration to the Managing Director, Whole time Director/Executive Director as approved by the members of the Company in the General Body Meeting and as recommended by the Nomination and Remuneration Committee of the Board. The details of remuneration paid to them during the Financial year 2023-24 are given below:

S.No.	Name	Designation	Gross Salary - Rs in lac
1.	Mr Rajeev Bhalla	Managing Director	-
2.	Mr Naveen Arora	Whole-time Director	20.64

The tenure of appointments of the Managing Director, Whole time Director/Executive Director is for a period of 3 years each respectively with no severance fees.

The Company does not have a Scheme for grant of Stock Options to the Managing Director/Executive Director(s) or Employees of the company.

Non-executive Directors have not been paid any other remuneration except sitting fees for attending meeting(s) during the Financial Year 2023-24. The criteria for payment of remuneration is time spent by the Non-Executive Directors at the Board/Committee meetings and advice given be these directors to the Management. There were no other pecuniary relationships or transactions of the Non-executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

Dividend Distribution Policy:

The Company has formulated a dividend distribution policy. The said policy is available on the Company's website viz. www.selindia.in/policy.html

6. GENERAL BODY MEETINGS:

The details of last three Annual General Meetings (AGM) are as follows:

Meeting	Day, Date & Time of Meeting	Venue of Meeting	No. of Special Resolutions Passed
23rd Annual General Meeting	Tuesday, the 22nd day of August, 2023 at 11:00 A.M.	Video Conferencing / Other Audio Visual Means	Four
22nd Annual General Meeting	Thursday, the 22nd day of September, 2022 at 11.00 A.M.	Video Conferencing / Other Audio Visual Means	None
21st Annual General Meeting	Thursday, the 28th day of April, 2022 at 02.00 P.M.	Video Conferencing / Other Audio Visual Means	Five

The company convened an Extra-Ordinary General meeting during the financial year 2023-24 on Friday the 13th day of October, 2023 at 11:00 a.m. at the registered office of the company situated at 274, Dhandari Khurd, G.T. Road Ludhiana- 141014 PB, following resolutions were passed in the meeting:

Sr. No.	Resolution Particular	Type of Resolution
1.	Approval for strategic options	Special Resolution
2.	Initiation of Corporate Insolvency Resolution Process	Special Resolution

The Company did not pass any resolution through postal ballot during the Financial Year 2023-24 and further the Company do not propose to pass any resolution through postal ballot in the ensuing Annual General Meeting.

7. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Report, filings made with Stock Exchanges and by filing reports & returns with the Statutory bodies like the Registrar of Companies and Stock Exchanges. The Quarterly Financial Results are published in prominent daily newspapers like The Financial Express and Desh Sewak. The Financial Results etc. of the Company are also made available at the Company's website www.selindia.in.

8. GENERAL INFORMATION FOR SHAREHOLDERS:

i. 24th Annual General Meeting

Date & Time	Thursday, the 22nd day of August, 2024 at 11.00 A.M. through Video Conferencing / Other Audio Visual Means

ii. Financial year 2024-25 (tentative)

First Quarterly Results	July-August, 2024
Second Quarterly Results	October-November, 2024
Third Quarterly Results	January-February, 2025
Fourth Quarterly & Annual Results 2024-25	April-May, 2025

iii. Date of Book Closure: Not applicable

iv. Dividend Payment Date: No dividend has been declared for the Financial Year 2023-24.

v. Name and address of Stock Exchanges at which the securities of the Company are listed.

BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai– 400051*
Script Code: 532886	**Symbol: SELMC**

The Company has paid listing fees for the financial year 2024-25 within due time.

vi. ISIN Number for NSDL/CDSL: INE105I01020

vii. Stock Market Data

Rs.

Month	BSE SENSEX		At Bombay Stock Exchange Limited (BSE)		At National Stock Exchange of India Limited (NSE)	
	High	Low	Month's high quoted price	Month's low quoted price	Month's high quoted price	Month's low quoted price
Apr-23	61,209.46	58,793.08	187.40	149.15	188.05	148.00
May-23	63,036.12	61,002.17	166.20	120.05	166.75	117.95
Jun-23	64,768.58	62,359.14	163.70	131.00	164.10	129.90
Jul-23	67,619.17	64,836.16	136.65	101.85	136.85	101.00
Aug-23	66,658.12	64,723.63	130.25	109.10	132.65	111.00
Sep-23	67,927.23	64,818.37	128.50	117.15	128.40	116.70
Oct-23	66,592.16	63,092.98	122.85	98.45	120.95	99.00
Nov-23	67,069.89	63,550.46	103.50	87.35	102.45	86.50
Dec-23	72,484.34	67,149.07	88.90	72.60	87.45	72.50
Jan-24	73,427.59	70,001.60	97.38	81.20	97.20	81.05
Feb-24	73,413.93	70,809.84	94.71	82.40	95.50	82.70
Mar-24	74,245.17	71,674.42	86.99	69.36	86.00	68.65

viii. Dematerialisation of Shares/ Registrar Transfer Agents & Share Transfer system

The equity shares of the Company are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) is ISIN-INE105I01020.

The Company has appointed M/s Link Intime India Private Limited (formerly Intime Spectrum Registry Limited) having its office at Noble Heights, 1st Floor, Plot No. NH-2,

C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi -110058 as Registrar for depository services and share transfer work.

The dematerialized shares will be directly transferred to the beneficiaries through the depositories. The process of transfer/ transmission/ transposition etc. of equity shares in physical form including dispatch of the share certificates/option letters is completed within a period of 10- 15 days if the documents are in order in all respects.

The Stakeholders Relationship Committee specifically looks into the redressal of Investors' complaints like transfer of equity shares and related matters.

ix. Distribution of shareholding as on 31.03.2024

Share Holding	Share Holders		Share Holding	
	Number	% to total	Number	% to total
Up to 500	23002	97.74	628261	1.90
501 to 1000	284	1.21	211620	0.64
1001 to 2000	124	0.53	178434	0.54
2001 to 3000	36	0.15	87248	0.26
3001 to 4000	18	0.08	64870	0.20
4001 to 5000	21	0.09	96523	0.29
5001 to 10000	17	0.07	118430	0.36
10001 and above	30	0.13	31749314	95.81
Total	**23532**	**100.00**	**3,31,34,700**	**100.00**
Physical Mode	5	0.02	33,345	00.10
Electronic Mode	23527	99.98	3,31,01,355	99.90

x. Share Holding Pattern as on 31.03.2024

Category	Number of Shares	% to Total Shares
Promoter and Promoter Group	24851025	75.00
Foreign Portfolio Investors	42178	0.13
Financial Institutions and Banks	6366299	19.21
Bodies Corporate	244970	0.74
Public(Individuals)	1630228	4.92
Total	**33134700**	**100.00**

xi. Details of Unclaimed shares as on 31.03.2024: Nil

xii. Outstanding GDRs, ADRs, Warrants or any Convertible instruments etc: Nil

xiii. Registrars and Transfer Agents:

Link Intime India Private Limited (Formerly Intime Spectrum Registry Limited), Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi -110058. Tel.: 011 41410592 Fax.: 011 41410591. E-mail: delhi@linkintime.co.in

xiv. Investors Correspondence:

(a) Investor correspondence: All queries of investors regarding the Company's shares in physical/demat form, payment of dividend on shares, etc. may be sent to the following address:

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
Noble Heights, 1st Floor,
Plot No. NH-2, C-1 BLOCK,
LSC Near Savitri Market,
Janakpuri, NEW DELHI -110058
Tel.: 011 41410592
Fax.: 011 41410591
E-mail: delhi@linkintime.co.in

(b) For securities held in Demat form: To the Depository Participant

(c) Any query on Annual Report
Secretarial Department
SEL Manufacturing Company Limited
274, Dhandari Khurd, G.T. Road, Ludhiana, Punjab - 141014
e-mail ID of the grievance redressal division : cs@selindia.in
website: www.selindia.in

xv. Major Plant locations of the Company:

(a) Village Lal Kalan, Tehsil Samrala, Ludhiana-Chandigarh Road, Near Neelon Canal Bridge, Ludhiana, Punjab
(b) Village Shekhan Majara, Machiwara Rahon Road, Teh. & Distt. Nawanshehar, Punjab
(c) Village Mehatwara, Teh. Ashta, Dist. Sehore, Madhya Pradesh

9. DISCLOSURES:

a. MATERIAL SIGNIFICANT TRANSACTIONS AND NON-COMPLIANCES, IF ANY:

During the period under review, there was no material significant transaction with the promoters, directors, management, their relatives etc. that may have potential conflict with the interest of the company at large.

With reference to Non-submission of Annual Report for the financial year ended 31.03.2021, and holding of Annual General Meeting for the year 2021, as the Company went through Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code (IBC) 2016 and the Exchanges were informed in respect of, inter-alia, the insolvency commencement date, the appointment of the Resolution Professional, etc. and under which the terms of the approved Resolution Plan (The Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 had approved the Resolution plan of the Company) had to be implemented by the Company and there were other pending statutory compliances pertaining to the period when the company was under CIRP Process, which also had to be regularized by the Company as per the order of the Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021. The Resolution Plan also envisaged the

scheme of reduction and consolidation of the capital of the Company which inter alia, provided for the reduction and consolidation of the issued, subscribed and paid up capital of the Company. We may further state that it is only after effect of Reduction and consolidation of share capital approval from the exchanges, corporate actions for further allotment of shares issued pursuant to approved resolution plan could be given effect to.

Reduction and Consolidation of Share Capital along with other Corporate Actions cannot be executed till the Company received approval from the Exchanges where the shares of the Company are listed with, and it is only after execution of the corporate actions pursuant to approval of both the Exchanges with whom the shares of the Company are listed with, these shares could be credited into respective Demat account of the respective allottees thereto. As per the circumstances narrated above the Company was not in a position to hold its Annual General meeting within the stipulated time period, as the reduction and consolidation of share capital and further allotment of shares pursuant to approved resolution plan were yet to be credited in the respective Demat account of the allottees thereof and terms of approved Resolution Plan vide Hon'ble National Company Law Tribunal, Chandigarh Bench order dated February 10, 2021 had to be complied with.

The Company has not complied with the provisions of regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Composition of Risk Management Committee and meeting to be held by Risk Management Committee, The decision taken by the Board of Directors to dissolve the Risk Management Committee in the meeting held on 30 May 2023 was inadvertent due to misinterpretation of the SEBI regulations, however the same has already been rectified by the board of directors of the company by constituting Risk Management Committee on 16th November, 2023.

The Company has not complied with the provision of Rule 8 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) 2015, as the company have not been able to appoint a company secretary after resignation of Ms. Aarti Sharma (ACS 68577 from the post of Company Secretary-cum-Compliance Officer of the Company w.e.f 30th November, 2023.

Apart from the above, there has not been any non-compliance by the company in respect of which penalties or strictures have been imposed by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

b. **VIGIL MECHANISM**

The Company has in place a whistleblower policy, to support the Code of Business Ethics. This policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual or suspected fraud or any violation of Company's Code of Business Ethics at a significantly senior level without fear of intimidation or retaliation.

Individuals can also raise their concerns directly to the Chairperson of the Audit Committee of the Company. Any allegations that fall within the scope of the concerns identified are investigated and dealt with appropriately. Further, during the year, no individual was denied access to the Audit Committee/Relevant Authority for reporting concerns, if any. The details of establishment of vigil mechanism for Directors & employees to report genuine concerns are available at the website of the Company viz. www.selindia.in/policy.html.

c. **COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company is compliant with the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to non-submission of Annual Report for the financial year ended 31.03.2021, and holding of Annual General Meeting for the year 2021, the status is already explained in point (a) above.

d. **RELATED PARTY TRANSACTIONS:**

There is a policy to regulate the transactions of the Company with its related parties. As per policy, all related party transactions require approval as per the provisions of the Companies Act, 2013 and listing Agreement entered into with Stock Exchanges/SEBI (LODR) Regulations. The said policy is available on the Company's website viz. www.selindia.in/policy.html

Further the Company has also formulated a policy for determining 'material' subsidiaries. The said policy is available on the Company's website viz. www.selindia.in/policy.html.

e. **COMMODITY PRICE RISK:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is Nil and is not required to be given.

f. **CERTIFICATE FOR DIRECTORS DISQUALIFICATION:**

A certificate has been received from Harshit Arora & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

g. **WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:** Not Applicable

h. **DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A):** Nil

i. **DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS:**

M/s Kamboj Malhotra & Associates (Formerly Malhotra Manik & Associates), Chartered Accountants, (Firm Registration No. 015848N) been appointed as the Statutory Auditors of the Company. The particulars of payment of total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Particulars	Amount (Rs in Lacs)

Audit Fees (including audit and audit related services)	7.93

j. **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in SEL through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company believes in prevention of harassment of employees as well as contractors. During the year ended 31 March, 2024, no complaints pertaining to sexual harassment were received.

k. **DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED:**

There is no Loans and advances in the nature of loans given to firms/companies in which directors are interested.

l. **DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY:** Nil

10. COMPLIANCE WITH SEBI (LODR) REGULATIONS

The Company has complied with all the requirement of corporate governance report said out in the schedule V of SEBI (LODR) Regulations, 2015

11. UNCLAIMED DIVIDENDS

There is no amount lying pending with the company till date which needed to be transferred to the Investor education and Protection fund administered by the Central Government. Pursuant to the provisions of the Companies Act, the amount remaining unpaid or unclaimed for a period of seven years from the date they became due for payment shall be transferred to Investor Education and Protection Fund ("Fund").

12. CEO/CFO CERTIFICATION

As required by sub clause 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO have certified to the Board about compliance by the company with the requirements of the said sub clause for the financial year ended 31st March, 2024.

CEO / CFO CERTIFICATE

To

The Members
SEL Manufacturing Company Limited
274, Dhandari Khurd G.T. Road, Ludhiana – 141014 Punjab

In relation to the Audited Financial Accounts of the Company as at 31.03.2024, we hereby certify that,

(a) We have reviewed the Audited Financial Statements, read with the cash flow statement of SEL Manufacturing Company Limited for the year ended 31st March, 2024 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
   (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for the financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken for rectifying these deficiencies.

(d) We have indicated to the Auditors and Audit Committee that :

   (i) There was no significant changes, if any, in the internal control over the financial reporting during the year.
   (ii) All significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes of accounts to the Financial Statements; and
   (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Navneet Gupta
Chief Financial Officer

Rajeev Bhalla
Managing Director cum CEO

Place: Ludhiana
Dated: 30th July, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Para C (10) (i) Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
SEL Manufacturing Company Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the directors of **SEL Manufacturing Company Limited (CIN L51909PB2000PLC023679)** having its registered office at 274, Dhandari Khurd, G.T. Road, Ludhiana -141014 Punjab (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Para C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company and its officers, we hereby certify that none of the directors on the Board of the Company, as stated below, for the financial year ending on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs

Sr. No.	DIN	Name of the Director	Designation	Category of Directorship as on March 31, 2024	Date of Appointment
1	08909769	Dinesh Kumar Mehtani	Director	Non-Executive - Non Independent Director	13/03/2021
2	09114375	Naveen Arora	Whole-time director	Executive Director	08/04/2021
3	08916697	Shashankrai	Additional Director	Non-Executive - Non Independent Director	13/03/2021
4	00551773	Rajeev Bhalla	Managing Director	Executive Director	13/03/2021
5	09149030	Nidhi Aggarwal	Director	Non-Executive - Independent Director	29/06/2021
6	09152133	Meghna Mahendra Savla	Additional Director	Non-Executive - Independent Director	08/11/2023

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

For HARSHIT ARORA & ASSOCIATES
Company Secretaries

(CS HARSHIT ARORA)
Prop.
M. No.: F12307
CP No.: 14807
PR No. 2073/2022
Udin: F012307F000849627

Place: Ludhiana
Date: 29.07.2024

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
SEL Manufacturing Company Limited

This certificate is issued in accordance with the terms of our engagement. We have examined the compliance of conditions of Corporate Governance by SEL Manufacturing Company Limited, for the year ended on 31st March, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations Except mentioned in Other matter.

Other Matter:

The Company earlier went through Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code (IBC), 2016, pursuant to an application filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by State Bank of India against SEL Manufacturing Company Limited ("Corporate Debtor"), under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"), The Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 had approved the Resolution plan submitted by Consortium of Arr Ess Industries Private Limited and Leading Edge Commercial FZE ("Consortium" or "Resolution Applicant") in respect of SEL Manufacturing Company Limited ("Company").

The Company has not complied with the provisions of regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Composition of Risk Management Committee and meeting to be held by Risk Management Committee, The decision taken by the Board of Directors to dissolve the Risk Management Committee in the meeting held on 30 May 2023 was inadvertent due to misinterpretation of the SEBI regulations, however the same has already been rectified by the board of directors of the company by constituting Risk Management Committee on 16th November, 2023.

The Company has not complied with the provision of Rule 8 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) 2015, as the company have not been able to appoint a company secretary after resignation of Ms. Aarti Sharma (ACS 68577) from the post of Company Secretary-cum-Compliance Officer of the Company w.e.f 30th November, 2023.

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

For Kamboj Malhotra & Associates
Chartered Accountants
(Firm Regn No. 015848N)

CA MANIK MALHOTRA
Partner
M.No. 094604

Place: Ludhiana
Date: 17th July, 2024

KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To
The Members of SEL Manufacturing Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion
We have audited the accompanying standalone financial statements of SEL Manufacturing Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the Standalone Financial Statements").

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

Basis for Opinion
We conducted our audit of the Standalone Financial Statements 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Material Uncertainty relating to Going Concern
We draw your attention:

- As per resolution plan approved and implemented in Financial Year 2020-21, the company was stipulated to bring Rs. 6,500 lakhs for working capital and operational needs within first year of operation against which the company brought only Rs. 2,500 lakhs which created shortfall in working capital funds and affected the performance of the company.
- The company is incurring continuous losses since the implementation of resolution plan and had incurred total cumulative losses of Rs. 51,018 lakhs in last three years since implementation of resolution plan.
- Analytical Ratios of the company, as reported in note no. 55 of the Financial Statements, are reflecting tight liquidity, poor solvency as well as losses. The Current Ratio of 0.10:1 as at March 31, 2024 as against 0.50:1 as at March 31, 2023 clearly reflects squeezing of liquidity during the year. The liquidity ratios and Solvency Ratios of the company are deteriorated over previous years.
- The Company has a debt obligation of around Rs. 9,372 lakhs for the financial year 2024-25. Further Debt obligations are supposed to be paid out of working funds which will further add to the liquidity crunch of the company.
- As at year end, the current liabilities of the company are exceeding its current assets, which reflect erosion of Working Capital funds of the Company.
- Moreover, Risk Management Committee of the company, had raised concerns regarding the financial risk faced by the company by stating that the company needs to review the plan of repayment and sources of funds for the same and In case the current scenario is carried forward for another 2-3 quarters, the company may be at risk of default.

- Refer to Note no. 59 to the standalone financial statements, the Company's performance is sub-optimal and falls short of expectations. The Company is currently operating at a deficit and experiencing severe liquidity stress. The plants of the company were remain shut down for most of the period in the year under consideration This dire financial predicament has rendered the Company incapable of fulfilling its various financial obligations. The company has defaulted in quarterly installment due on 30th September, 2023, 31st December, 2023 & 31st March, 2024 amounting to Rs. 2,756 lakhs and also has not paid the interest due for the period July 2023 to March 2024 amounting to Rs. 4,467.16 lakhs.
- Refer to Note no. 68 to the standalone financial statements, the company has made default in payment of electricity dues of plant located at Village Mehatwara, Sehore, MP. The Madhya Pradesh Madhya Kshetra Vidyut Vitaran Co. Limited (MPMPKVV), Bhopal has discontinued the electricity supply. Also due to the default in payment of electricity dues of plant located at Village Lal Kalan, Ludhiana. The Punjab State Power Corporation Limited (PSPCL) has discontinued the electricity supply.
- Refer to Note no. 60 to the standalone financial statements, the shareholders of the Company have passed the resolution regarding the Initiation of Corporate Insolvency Resolution Process under Section 10 (including any modification or re-enactment thereof), if any, of the Insolvency and Bankruptcy Code, 2016 in its Extra Ordinary General Meeting held on 13th October, 2023.
- Further the company has decided to suspend pending capital projects which otherwise requires additional funds to complete the pending capital projects.

Given the present circumstances, it concerns the company's ability to meet its contractual/financial obligations w.r.t repayment of principal and interest on secured borrowings and arranging funds for ensuring normal operations as well as for pending capital projects.

The above factors indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern and therefore company may be unable to discharge its liabilities in the normal course of business unless some concrete efforts are made by the company to come out of financial crisis by infusing interest free long term funds and increasing the volume of operations as well as profits of the company.

Emphasis of Matter

We draw attention to the following matters:

(1) As reported vide Note no.56 of the standalone financial statements, the Company Secretary has resigned from the company and the company is in the process of filling vacancy within the stipulated timeframe as mentioned in Section 203 of Companies Act, 2013.

(2) As reported in Note no. 65 to the standalone financial statements, the company has received a notice for imposition of fine amounting to Rs. 4.01 lakhs from the National Stock Exchange of India Limited and BSE Limited regarding non compliance with SEBI (LODR) Regulations, 2015 ("Listing Regulations") and/or Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 ("Depository Regulations"). However, the company has suitably filed the reply for the said notices.

(3) As reported vide Note no. 58 of the standalone financial statements, Bank of Maharashtra had declared company (under old / previous management prior to liquidation) as willful defaulter on 16.11.2022 in respect of outstanding loan of Rs. 7,285 lakhs. Similarly, the Company has also received a notice from India Exim Bank for appearance before "Willful Defaulter Committee" in earlier year for replying on the willful defaulter notice.

(4) As reported vide Note no. 69 of the audited standalone financial statements, the company has netted off sale rate difference (relating to the financial year 2018-19) amounting to Rs. 225 lakhs from sale of goods.

(5) As reported vide Note no. 50 regarding the balance confirmations of Trade Receivables, Capital Advances, Advance to Suppliers & Trade Payables. During the course of preparation of standalone financial statements, letters have been sent to various parties by the company with a request to confirm their balances out of which few parties have confirmed their balances to Company.

(6) As reported vide Note no. 42(vi) of the audited standalone financial statements, the Directorate of Enforcement carried out search, seizure or freezing action at the registered office of the Company on 12th January 2024 under section 17 of the Prevention of Money Laundering Act, 2002 (15 of 2003).

Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of financial statements of the current year. 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.

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

The Company's Board of Directors is responsible for the preparation and presentation of its report herein after called the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the Standalone Financial Statements

and our Auditor's Report thereon. The Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, based on the work performed if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements
Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

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

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

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .

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

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

   e. On the basis of the written representations received from the directors as on 31st March, 2024 and 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. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 above .

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no. 38(a) to the standalone financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii.There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend (including interim and final dividend) during the year.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For Kamboj Malhotra& Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604
UDIN: 24094604BKEBJE4730

Place: Ludhiana
Date: 30.05.2024

Annexure - A to the Independent Auditors' Report

Referred to in paragraph 1 under 'Report on OtherLegal and Regulatory Requirements' section of ourreport of even date. We report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets :

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) According to the information and explanation given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) According to information and explanation given to us, the physical verification of inventory has been conducted at reasonable intervals by the management and no discrepancies were noticed on such physical verification of inventories carried out by the management as compared to the book records. In our opinion the coverage and procedure of such verification by the management is appropriate.

(b)The Company has not been sanctioned working capital limits in excess of Rs. Five crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships orany other parties during the year.

(a) The Company has not provided loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a)(A) and 3(iii)(a)(B)of the Order is not applicable.

(b) The Company has neither made investments nor provided guarantees or security or granted loans and advances in the nature of loans during the year. Hence, reporting under clause 3(iii)(b) is not applicable.

(c) The Company has not granted loansand advances in the nature of loans. Hence, reporting under clause 3(iii)(c) is not applicable.

(d) The Company has not grantedloansand advances in the nature of loansand therefore, reporting under clause 3(iii)(d) is not applicable.

(e) The Company has not granted any loan or advance in the nature of loan and therefore, reporting under clause 3(iii)(e) is not applicable.

(f) 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 and therefore, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act in respect of loans, investments, guarantees and security.

(v) The Company has not accepted deposits or amounts which are deemed to be deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules madethereunder,where applicable. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii) (a)According to the information and explanation given to us and the books and records examined by us, we state that undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, cess and Punjab State Development Tax and Other Statutory Dues have not been regularly deposited by the company with the appropriate authorities and there have been serious delays in a large number of cases. According to the information and explanation given to us, there were undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Income-tax, Cess, Punjab State Development Tax and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Particulars	Amount (in lakhs)
Employees Provident Fund	76.10
Punjab State Development Tax	0.42
Tax Deducted at Source incl. interest	15.68
Tax Collected at Source incl. interest	3.21
Labour Welfare Fund	1.47
Interest on Reversal of GST	11.77

(b)There are no statutory dues referred to in sub clause (a) which have not been deposited on account of any disputes.

(viii) According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) a) In our opinion and according to the information and explanation given to us, the Company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to the banks/financial institution as given below:

Name of the Bank/Other Parties	**Principle (Amount in lakhs)**	**Overdue Since**	**Interest (Amount in lakhs)**	**Overdue Since**
Bank of Maharashtra	71.52	30.09.2023	118.08	31.07.2023
Bank of Baroda	78.32	30.09.2023	129.10	31.07.2023
Central Bank of India	17.38	30.09.2023	28.57	31.07.2023
Exim Bank of India	2.12	30.09.2023	3.49	31.07.2023
Indian Bank	548.58	30.09.2023	912.87	31.07.2023
Indian Overseas Bank	133.62	30.09.2023	167.49	31.07.2023
Karur Vysya Bank	10.73	30.09.2023	17.71	31.07.2023
Pheonix Arc Private Limited	69.77	30.09.2023	115.16	31.07.2023
Punjab & Sind Bank	79.41	30.09.2023	68.96	31.07.2023
Punjab National Bank	253.68	30.09.2023	421.79	31.07.2023
SBER Bank	14.95	30.09.2023	24.68	31.07.2023
State Bank of India	1,116.38	30.09.2023	1868.86	31.07.2023
UCO Bank	109.55	30.09.2023	177.16	31.07.2023
Union Bank of India	250.90	30.09.2023	413.24	31.07.2023

However, refer to the note no. 59, the Company filed an application before the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench regarding the issue of declassification etc. The Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench has passed an interim ex parte order vide dated 16th August, 2023 with direction, granting a complete moratorium to the company in the payment of amounts as per the plan including payment of deferred amount and interest of term loan and all other payments to the banks, till the next date of hearing.

b) In our opinion and according to the information and explanation given to us, the Company (under old/previous management prior to liquidation) has been declared wilful defaulter by Bank of Maharashtra on 16.11.2022. In addition, the Company had also received a notice during the financial year 2022-23 from India Exim Bank for appearance before "Willful Defaulter Committee" in earlier year for replying on the willful defaulter notice.

c) In our opinion and according to the information and explanation given to us, the Company has not taken any term loans during the year.

d) In our opinion and according to the information and explanation given to us, the company had not raised any short term funds during the year. Hence, reporting under this clause is not applicable.

e) In our opinion and according to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f) In our opinion and according to the information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

(x) a) In our opinion and according to the information and explanation 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 and hence reporting under clause 3(x)(a) of the order is not applicable.

b) In our opinion and according to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the order is not applicable.

(xi) a) According to the information and explanation given to us, No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

b) 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 the Central Government, during the year and upto the date of this report.

c) In our opinion and according to the information and explanation given to us, no whistle-blower complaints have been received during the year by the Company.

(xii) In our opinion, the Company is not a Nidhi Company and hence reporting under clause3(xii) of the order is not applicable.

(xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, where applicable and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
b) We have considered the reports of the Internal Auditors for the period under Audit.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence reporting under clause 3(xv) of the order is not applicable.

(xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and hence reporting under clause 3(xvi)(a),(b),(c) and (d) of the order is not applicable.

(xvii) In our opinion and according to the information and explanation given to us, the Company had incurred cash losses amounting to Rs. 9,780 lakhs and Rs. 8,432 lakhs in the financial year and in the immediately preceeding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year; hence reporting under clause 3(xviii) of the order is not applicable.

(xix) Refer to note no. 55 of the standalone financial statements alongwith ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and on the basis of our observations mentioned in paragraph for (Material Uncertainty Related to Going Concern), we are of the opinion that material uncertainty exists as on the date of the audit report indicating 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.

(xx) In our opinion and according to the information and explanation given to us, the provisions of Section 135(5) of Companies Act are not applicable to the Company; hence reporting under clause 3(xx) of the order is not applicable.

For Kamboj Malhotra& Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604
UDIN: 24094604BKEBJE4730

Place: Ludhiana
Date: 30.05.2024

"Annexure – B" to the Independent Auditors' Report
(Referred to in Paragraph 2(f) under the "Report on other legal and regulatory requirements" section of our report to the members of SEL Manufacturing Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")
We have audited the Internal Financial Controls over financial reporting of SEL Manufacturing Company Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Auditors' Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls 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 Institute of Chartered Accountants of India ("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 reportingincluded obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over financial reporting
A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail ,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 reportingto future periods are subject to the risk that the internal financial controls over financial reportingmay 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 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 reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604
UDIN: 24094604BKEBJE4730

Place: Ludhiana
Date: 30.05.2024

SEL MANUFACTURING COMPANY LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in lakhs)

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	**4**	97,738.24	1,07,253.89
(b) Capital Work in Progress	**4**	4,246.00	4,246.00
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	**4**	-	-
(f) Intangible Assets under Development		-	-
(g) Biological Assets Other Than Bearer Plants		-	-
(h) Financial Assets			
(i) Investments	**5**	129.51	88.22
(ii) Trade Receivable		-	-
(iii) Loans		-	-
(iv) Others	**6**	3.14	2.57
(i) Deferred Tax Assets (Net)		-	-
(j) Other Non-Current Assets	**7**	482.23	2,050.23
		1,02,599.12	**1,13,640.90**
(2) Current Assets			
(a) Inventories	**8**	1,715.75	5,267.96
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	**9**	81.26	590.56
(iii) Cash & Cash Equivalents	**10**	297.34	294.26
(iv) Bank Balances other than (iii) above	**11**	41.88	39.80
(v) Loans		-	-
(vi) Others	**12**	1.13	1.12
(c) Current Tax Assets (Net)	**13**	221.46	683.99
(d) Other Current Assets	**14**	546.99	1,185.47
		2,905.80	**8,063.17**
(3) Assets Classified as held for Sale	**15**	-	767.84
TOTAL ASSETS		**1,05,504.93**	**1,22,471.92**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	**16**	3,313.47	3,313.47
(b) Other Equity	**17**	(8,952.38)	11,528.46
		(5,638.91)	**14,841.93**
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**18**	81,864.32	89,549.67
(ia) Lease Liabilities		-	-
(ii) Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises and;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other Financial Liabilites		-	-
(b) Provisions	**19**	57.69	468.33
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non-Current Liabilities		-	-
		81,922.01	**90,018.00**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**20**	12,128.76	3,605.00
(ia) Lease Liabilities	**21**	-	35.69
(ii) Trade Payables	**22**		
(A) total outstanding dues of micro enterprises and small enterprises and;		454.63	320.58
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		9,080.51	8,080.33
(iii) Other Financial Liabilities	**23**	7,326.26	4,321.26
(b) Other Current Liabilities	**24**	197.05	128.38
(c) Provisions	**25**	34.61	50.15
(d) Current Tax Liabilities(Net)		-	-
		29,221.82	**16,541.38**
(3) Liabilities directly associated with assets classified as held for sale	**26**	-	1,070.60
TOTAL EQUITY & LIABILITIES		**1,05,504.93**	**1,22,471.92**

See accompanying notes to the financial statements

As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604
Place: Ludhiana
Date: 30.05.2024

For and on the behalf of Board of Directors

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(Navneet Gupta)
Chief Financial Officer

SEL MANUFACTURING COMPANY LIMITED

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

(Rs. in lakhs)

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue From Operations	27	37,427.31	55,436.76
II. Other Income	28	547.43	1,986.21
III. Total Income (I+II)		**37,974.75**	**57,422.97**
IV. Expenses			
Cost of Materials Consumed	29	29,883.13	46,659.00
Purchases of Stock-in-Trade		9.51	14.68
Changes in Inventories of Finished Goods,Stock in Trade and Work in Progress	30	3,395.67	(1,944.93)
Employee Benefits Expense	31	2,573.72	4,531.70
Finance Cost	32	5,961.49	4,315.64
Depreciation and Amortization Expense	33	9,515.64	10,159.05
Other Expense	34	7,077.14	13,300.45
Total Expenses (IV)		**58,416.31**	**77,035.59**
V. Profit/(Loss) Before Exceptional Items And Tax (I-IV)		**(20,441.56)**	**(19,612.62)**
VI. Exceptional Items	35	(1,146.23)	(1,021.47)
VII. Profit/(Loss) Before Tax (V-VI)		**(19,295.33)**	**(18,591.15)**
VIII. Tax Expense			
a) Current Tax		-	-
IX. Profit/(Loss) for the period from Continuing Operations (VII-VIII)		**(19,295.33)**	**(18,591.15)**
X. Profit/(Loss) from Discontinued Operations		-	-
XI. Tax Expense of Discontinued Operations		-	-
XII. Profit/(Loss) from Discontinuing Operations (After Tax) (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX+XII)		**(19,295.33)**	**(18,591.15)**
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		453.39	273.34
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		-	-
B (i) Items that will be reclassified to Profit or Loss		(1,638.90)	6,794.69
(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income(net of taxes)		(1,185.51)	7,068.03
XV. Total Comprehensive Income for the Period (XIII+XIV)		**(20,480.84)**	**(11,523.13)**
XVI. Earning per Equity Share (for Continuing Operations)	37		
1) Basic		(58.23)	(56.11)
2) Diluted		(58.23)	(56.11)
XVII. Earning per Equity Share (for Discontinued Operations)			
1) Basic		-	-
2) Diluted		-	-
XVIII. Earning per Equity Share (for Discontinued & Continuing Operations)	37		
1) Basic		(58.23)	(56.11)
2) Diluted		(58.23)	(56.11)
See accompanying notes to the financial statements			

As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604

Place: Ludhiana
Date: 30.05.2024

For and on the behalf of Board of Directors

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(Navneet Gupta)
Chief Financial Officer

SEL MANUFACTURING COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) Current reporting period ended on 31st March, 2024

(In lakhs)

Balance at the beginning of the current period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current period
3,313.47	-	3,313.47	-	3,313.47

(2) Previous reporting period ended on 31st March, 2023

Balance at the beginning of the previous period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous period
3,313.47	-	3,313.47	-	3,313.47

B. Other Equity

(1) Current reporting period ended on 31st March, 2024

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings							
Balance at the beginning of the current period	**-**	**-**	**2,900.48**	**51,937.97**	**-**	**(56,265.90)**	**-**	**-**	**-**	**-**	**-**	**12,955.91**	**11,528.46**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	2,900.48	51,937.97	-	(56,265.90)	-	-	-	-	-	12,955.91	11,528.46
Total Comprehensive Income for the current year	-	-	-	-	-	(19,295.33)	-	-	-	-	-	(1,185.51)	(20,480.84)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current period	**-**	**-**	**2,900.48**	**51,937.97**	**-**	**(75,561.22)**	**-**	**-**	**-**	**-**	**-**	**11,770.40**	**(8,952.38)**

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(2) Previous reporting period ended on 31st March, 2023

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings							
Balance at the beginning of the previous period	**-**	**-**	**2,900.48**	**51,937.97**	**-**	**(37,674.74)**	**-**	**-**	**-**	**-**	**-**	**5,887.88**	**23,051.59**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Restated balance at the beginning of the previous reporting period	-	-	2,900.48	51,937.97	-	(37,674.74)	-	-	-	-	-	5,887.88	**23,051.59**
Total Comprehensive Income for the previous year	-	-	-	-	-	(18,591.15)	-	-	-	-	-	7,068.03	**(11,523.13)**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Balance at the end of the previous period	**-**	**-**	**2,900.48**	**51,937.97**	**-**	**(56,265.90)**	**-**	**-**	**-**	**-**	**-**	**12,955.91**	**11,528.46**

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As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604

For and on the behalf of Board of Directors

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(Navneet Gupta)
Chief Financial Officer

Place: Ludhiana
Date: 30.05.2024

SEL MANUFACTURING COMPANY LIMITED

STANDALONE STATEMENT OF CASH FLOW

(Rs. In Lakhs)

	Particulars	Details	Figures as at the end of the current reporting period	Details	Figures as at the end of the previous reporting period
A	**Cash Flow from Operating Activities**				
	Net Profit before Taxes & Extraordinary Items		**(19,295.33)**		**(18,591.15)**
	Adjustments for Non Cash Items:				
	-Depreciation & Amortization	9,515.64		10,159.05	
	-Provision for Dimunition in Value of Investments	(1,443.76)		-	
	-Provision/(Reversal of Provision) for Doubtful Debts	(102.69)		(182.64)	
	-Reversal of GST Input Credit and interest thereon	309.63		142.55	
	-Allowances for Loans & Advances	(1,353.18)		(981.38)	
	-Interest Cost	5,955.69		4,297.49	
	-Interest Income	(104.28)		(275.28)	
	-(Profit)/Loss on Sale of Plant, Property & Equipments	(376.64)	12,400.43	(1,516.50)	11,643.30
	Adjustments for Changes in Working Capital:				
	-Increase/ (Decrease) in Trade Payables	1,134.24		6,005.72	
	-Increase/ (Decrease) in Other Current & Financial Liabilities	2,420.78		(1,637.78)	
	-Increase/ (Decrease) in Current Provisions	(15.55)		(21.81)	
	-(Increase)/ Decrease in Trade Receivables	611.98		5,254.33	
	-(Increase)/ Decrease in Other Current Assets	1,682.03		1,726.32	
	-(Increase)/ Decrease in Current Assets Tax (Net)	462.53		701.12	
	-(Increase)/ Decrease in Bank Balance other than Cash	(2.08)		416.66	
	-(Increase)/ Decrease in Other Financial Assets	767.84		614.65	
	-(Increase)/ Decrease in Inventories	3,552.21	10,613.99	(1,694.12)	11,365.09
	Cash Generation from Operations		**3,719.09**		**4,417.24**
	-Taxes Paid		-		-
	Net Cash from Operating Activities		**3,719.09**		**4,417.24**
B	**Cash Flows from Investing Activities**				
	-Purchase of Plant, Property & Equipments	-		(5.83)	
	-Proceeds of Plant, Property & Equipments	376.64		1,516.90	
	-Interest Income	104.28		275.28	
	-(Increase)/Decrease of Non Current Investments	1,443.76		-	
	-(Increase)/ Decrease in Other Financial Assets Non Current	(0.58)		-	
	-Increase/(Decrease)in Other Financial Liabilities Non Current	(0.00)		(28.26)	
	-Increase/(Decrease)in Non Current Provisions	(410.64)		(119.25)	
	Net Cash Flows from Investing Activities		**1,513.45**		**1,638.84**
C	**Cash Flows from Financing Activities**				
	-Repayment of Non Current Borrowings	(841.78)		(2,825.61)	
	-(Increase)/ Decrease in Other Assets Non Current	1,568.00		(106.99)	
	-Proceeds/(Repayment) of Current Financial Borrowings	-		1,183.58	
	-Interest Cost	(5,955.69)		(4,297.49)	
	Net Cash Flows from Financing Activities		**(5,229.47)**		**(6,046.51)**
	Net Increase/(Decrease) in Cash & Cash Equivalent		**3.08**		**9.56**
	Cash & Cash Equivalents - Opening Balance		294.26		284.70
	Cash & Cash Equivalents - Closing Balance		**297.34**		**294.26**
	Reconciliation of Cash & Cash Equivalents with the Balance Sheet				
	Cash and Bank Balances as per Balance Sheet (Note No.10)				
	In Current Accounts		273.23		255.57
	Cash on Hand		24.11		38.69
	Cash & Cash Equivalents as at the year end		**297.34**		**294.26**

The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flow".

Subject to our Separate Report of Even Date
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604

Place: Ludhiana
Date: 30.05.2024

For and on the behalf of Board of

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(Navneet Gupta)
Chief Financial Officer

I. Property, Plant and Equipment

NOTE NO.- 4

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Right of Use Asset	Total	Other Intangible Assets	Capital Work in Progress
Gross Value as at 1st April, 2022	8,493.43	162.07	83,734.51	1,95,315.80	3,795.43	658.54	476.99	135.66	2,92,772.44	455.76	4,246.00
Addition during the year	-	-	-	0.77	-	-	5.06	-	5.83	-	-
Deduction during the year	-	-	-	-	-	8.15	-	-	8.15	-	-
Gross Value as at 31st March, 2023	8,493.43	162.07	83,734.51	1,95,316.56	3,795.43	650.40	482.05	135.66	2,92,770.12	455.76	4,246.00
Addition during the year	-	-	-	-	-	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-	-	135.66	135.66	-	0.00
Gross Value as at 31st March, 2024	**8,493.43**	**162.07**	**83,734.51**	**1,95,316.56**	**3,795.43**	**650.40**	**482.05**	**-**	**2,92,634.46**	**455.76**	**4,246.00**
Depreciation & Impairment											
Depreciation as at 1st April, 2022	-	19.73	26,185.04	1,44,923.93	3,160.07	561.91	446.41	67.83	1,75,364.92	455.76	-
Depreciation for the year	-	1.23	2,465.61	7,539.69	97.04	18.88	2.69	33.92	10,159.05	-	-
Disposal during the year	-	-	-	-	-	7.74	-	-	7.74	-	-
Depreciation as at 31st March, 2023	-	20.96	28,650.66	1,52,463.61	3,257.11	573.05	449.10	101.75	1,85,516.23	455.76	-
Depreciation for the year	-	1.23	2,465.61	6,971.31	27.26	13.59	2.74	33.92	9,515.64	-	-
Disposal during the year	-	-	-	-	-	-	-	135.66	135.66	-	-
Depreciation as at 31st March, 2024	**-**	**22.19**	**31,116.27**	**1,59,434.92**	**3,284.37**	**586.63**	**451.84**	**-**	**1,94,896.21**	**455.76**	**-**
Net Book Value											
As at 31st March, 2024	8,493.43	139.88	52,618.25	35,881.64	511.06	63.76	30.22	-	97,738.24	-	4,246.00
As at 31st March, 2023	8,493.43	141.11	55,083.86	42,852.95	538.32	77.35	32.95	33.92	1,07,253.89	-	4,246.00

Property, Plant and Equipment given as secuirty against long term borrowings, refer note no. 18

Capital Work in Progress ageing schedule

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temprorarily suspended*	-	-	-	4,246.00	4,246.00
Total	**-**	**-**	**-**	**4,246.00**	**4,246.00**

*The Company underwent a corporate insolvency resolution process under section 31 of the Insolvency and Bankruptcy Code, 2016. During the year 2020-21, resolution plan was approved & implemented. Further, with a view to improving the performance of the Company, the reconstituted Board has a specific focus on utilizing the existing capacities & upgrading the efficiency/productivity of the existing machinery at the manufacturing plants and exploring various avenues of enhancing revenues. As part of the Corporate Insolvency Resolution Process, the impairment of capital work in progress was already done in the financial year 2019-20..

INVESTMENTS (NON CURRENT) **NOTE NO. - 5**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(1) Investment in Equity Instruments		
(i) Subsidairy (Unquoted-At Fair Value)		
a) 3,989,600 Equity Shares of Rs. 10/- each fully paid up of SEL Aviation Private Limited	-	1,443.76
Less: Impairment in Value of Investment	-	(1,443.76)
(ii) Others		
Quoted (At Fair Value)		
a) 778 Equity Shares of Rs. 10/- each fully paid up of Dhanus Technologies Limited	0.68	0.68
Less: Impairment in Value of Investment	(0.68)	(0.68)
Unquoted (At Fair Value)		
a) 299,300 Equity Shares of Rs. 1/- each fully paid up of The DSE Estates Limited	209.51	209.51
Less: Impairment in Value of Investment	(209.51)	(209.51)
Unquoted (At Cost)		
a) 14,000 Equity Shares of Rs. 10/- each fully paid up of Rythm Textile & Apparels Park Limited	1.40	1.40
b) 1,108,000 Equity Shares of Rs. 10/- each fully paid up of OPGS Power Gujrat Private Limited	5.56	5.56
c) 48,050 Equity Shares of Rs. 10/- each fully paid up of Silverline Corporation Limited	4.81	4.81
(2) Investment in Mutual Funds (Unquoted-At Fair Value)		
a) 150,000 Units of Rs.10/- each of SBI Infrastructure Fund	61.86	35.73
b) 50,000 Units of Rs.10/- each of SBI PSU Fund	12.66	6.10
c) 55,187.638 Units of Rs. 10/- each of Union Multi Cap Fund	19.12	12.43
d) 100,000 Units of Rs.10/- each of SBI Gold Fund	24.10	22.20
TOTAL	129.51	88.22
Aggregate Amount of Quoted Investments	0.68	0.68
Market Value of Quoted Investments	-	-
Aggregate Amount of UnQuoted Investments	256.27	1,700.03
Aggregate Amount of Impairment in Value of Investments	210.19	1,653.95

OTHERS FINANCIAL ASSETS (NON CURRENT) **NOTE NO. - 6**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Bank Deposits with more than 12 months maturity	3.14	2.57
TOTAL	3.14	2.57

OTHER NON CURRENT ASSETS **NOTE NO. - 7**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(i) Capital Advances	1,625.33	1,625.33
(ii) Advances other than capital advances		
(a) Security Deposits	482.23	2,050.23
	2,107.56	3,675.56
Allowance/Impairment for Doubtful Loans & Advances	1,625.33	1,625.33
TOTAL	482.23	2,050.23

INVENTORIES **NOTE NO. - 8**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(Valued at Cost or Net Realisable Value, whichever is lower)		
(a) Raw Materials	512.53	610.45
(b) Work in Progress	490.33	2,692.44
(c) Finished Goods		
-In Godown	494.62	1,677.68
-In Transit	-	10.51
(d) Stores & Spares	218.26	276.88
TOTAL	1,715.75	5,267.96

TRADE RECEIVABLES (CURRENT)* **NOTE NO. - 9**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
a) Trade Receivables considered good-Secured	-	-
b) Trade Receivables considered good-Unsecured^	81.26	590.56
c) Trade Receivables which have significant increase in Credit Risk; and	-	-
d) Trade Receivables-credit impaired	1,766.71	1,869.40
	1,847.97	2,459.95
Less: Allowance for Doubtful Receivables (Expected Credit Loss Allowance)	1,766.71	1,869.40
TOTAL	81.26	590.56

*ageing schedule refer note no. 53

^Trade Receivables-credit impaired include Rs. 1,160.36 lakhs (Previous Year Rs. 1,396.61) due from the related parties.

CASH & CASH EQUIVALENTS **NOTE NO. - 10**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Balances With Scheduled Banks		
i) In Current Accounts	273.23	255.57
(b) Cash on Hand	24.11	38.69
TOTAL	297.34	294.26

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS **NOTE NO. - 11**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Other Bank Balances		
i) In Fixed Deposits Accounts	41.88	39.80
(Deposits with original maturity of more than three months but less than twelve months)		
TOTAL	41.88	39.80

OTHERS FINANCIAL ASSETS (CURRENT) **NOTE NO. - 12**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(Unsecured, considered good)		
i) Interest Receivable	1.13	1.12
TOTAL	1.13	1.12

CURRENT TAX ASSETS (NET) **NOTE NO. - 13**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Prepaid Taxes	221.46	683.99
TOTAL	221.46	683.99

OTHER CURRENT ASSETS **NOTE NO. - 14**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(Unsecured, considered good)		
i) Advances to Suppliers	827.11	3,740.02
ii) Balance with Govt. Authorities	27,104.93	27,619.15
iii) Prepaid Expenses	16.35	132.00
iv) Others	1,026.46	1,027.63
	28,974.84	32,518.81
Less: Allowance for Doubtful Receivables (Expected Credit Loss Allowance)	28,427.85	31,333.33
TOTAL	546.99	1,185.47

ASSETS CLASSIFIED AS HELD FOR SALE **NOTE NO. - 15**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Property, Plant & Equipment	-	767.84
TOTAL	-	767.84

EQUITY SHARE CAPITAL **NOTE NO. - 16**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Authorised		
1,000,000,000 Equity Shares	1,00,000.00	1,00,000.00
250,000,000 1% Redeemable, Non Cumulative, Non Convertible Preference Shares	25,000.00	25,000.00
(b) Issued, Subscribed & Paid Up		
33,134,700 Equity Shares Fully Paid Up	3,313.47	3,313.47
(c) Par Value per Share		
33,134,700 Equity Shares Rs. 10/-		

(d) Reconciliation of the number of shares outstanding

Particulars	Figures as at the end of the current reporting period		Figures as at the end of the previous reporting period	
	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of the year				
Equity Shares	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Total	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Add: Addition during the year				
Equity Shares	-	-	-	-
Total	-	-	-	-
Less: Reduction during the year				
Equity Shares	-	-	-	-
Total	-	-	-	-
Shares outstanding at the end of the year				
Equity Shares	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Total	3,31,34,700	3,313.47	3,31,34,700	3,313.47

(e) Detials of shares held by shareholders holding more than 5% shares in the Company

Particulars		Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
State Bank of India	2,489,176 Shares	7.51%	7.51%
Indian Bank	1,816,483 Shares	5.48%	5.48%
ARR ESS Leading Edge Pvt. Ltd.(Holding Company)	24,851,025 Shares	75.00%	75.00%

(f) Terms/rights, preference, restrictions attached to shares.

During the year 2020-21, the resolution plan has been approved by Hon'ble National Company Law Tribunal, Chandigarh Bench vide its order dated 10th February, 2021 under the Insolvency and Bankrupty Code, 2016, the paid up equity share capital of the company was reduced and consolidated. Every shareholder holding 1000 equity share of Rs.10/- each got 1 equity share of Rs. 10/- and the fractional shares were allotted in favour of SBICAP Trustee Company Limited, acting as Trustee. As per the scheme of reduction and consolidation, 32,803,353 equity shares (new) were allotted in favour of financial creditors and resolution applicant.

(g) Shares held by promoters at the end of the period

Promoter Name	No. of Shares	% of total shares	% Change during the year
ARR ESS Leading Edge Private Limited*	2,48,51,025	75	Nil
Total	**2,48,51,025**	**75**	**Nil**

*Leading Edge Commercial FZE is a Ultimate Holding Company of the Company

OTHER EQUITY **NOTE NO. - 17**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Captial Reserve		
Opening Balance	2,900.48	2,900.48
Add: Addition during the year	-	-
	2,900.48	2,900.48
Less: Deduction during the year	-	-
	2,900.48	2,900.48
(b) Securities Premium		
Opening Balance	51,937.97	51,937.97
Add: Addition during the year	-	-
	51,937.97	51,937.97
Less: Deduction during the year	-	-
	51,937.97	51,937.97

(c) Other Comprehensive Income		
Opening Balance	12,955.91	5,887.88
Add: Addition during the year	453.39	273.34
	13,409.30	6,161.22
Less: Deduction during the year	1,638.90	(6,794.69)
	11,770.40	12,955.91
(d) Retained Earnings		
Opening Balance	(56,265.90)	(37,674.74)
Add: Addition during the year	(19,295.33)	(18,591.15)
	(75,561.22)	(56,265.90)
Less: Deduction during the year	-	-
	(75,561.22)	(56,265.90)
TOTAL	**(8,952.38)**	**11,528.46**

Nature and Purpose of Reserves

(i) Securities Premium Account

Securities Premium account is created on recording of premium on issue of shares. The reserve shalll be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital Reserve

Equity warrants issued in an earlier years on preferential basis, carrying an option to the holder of such warrants to execrised the option within 18 months from the date of allotment. The holders of equity warrants have not exercised their right of conversion within the stipulated period of 18 months from the date of allotment. Consequently, the said warrants stand forfeited and the application money received against warrants has been transferred to Capital Reserve.

(iii) Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments & amortization of borrowings in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted as per provisions of the Ind AS.

(iv) Retained Earnings

The same is created out of profits over the years and shall be utilized as per the provisions of the Act.

BORROWINGS (NON CURRENT) **NOTE NO. - 18**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(At Amortised Cost)		
(a) Secured Loans		
i) Term Loans		
Banks (RTL-I)*	51,518.56	59,915.04
From Other Parties*	1,339.47	1,673.32
(b) Unsecured Loans		
i) Banks (RTL)^	2,548.61	3,183.82
ii) Related Parties	3,159.24	3,252.85
(Interest free loans repayable in 2027-28)		
(c) Unlisted Non-Marketable 0.01% Secured Non-Convertible Redeemable Debentures**		
2,87,80,793 Debentures of Rs. 100/- each fully paid up	20,967.74	19,371.53
(d) Unlisted Non-Marketable 0.01% Unsecured Non-Convertiable Redeemable Debentures**		
685,207 Debentures of Rs. 100/- each fully paid up	499.20	461.19
(e) Unlisted Non-marketable Unsecured Non Interest Non-Convertible Redeemable Debentures**		
2,514,898 Debentures of Rs. 100/- each fully paid up	1,831.51	1,691.92
TOTAL	81,864.32	89,549.67

***Maturity Profile of Secured/Unsecured Term Loan(RTL-I) from Banks & Other Parties is as under:**

Financial Year	Amount (in lakhs	Repayment Terms
2024-25	9,372	4 equal quarterly installments
2025-26	18,743	4 equal quarterly installments
2026-27	20,906	4 equal quarterly installments
2027-28	15,785	4 equal quarterly installments

Long term borrowings from banks are secured by the equitable mortgage of entire Land & Building of the Company and further secured by all the plant, property & equipments of the Company, immovable & movable, both present and future ranking pari-passu basis and personal guarantee of the erstwhile promoter directors. The said borrowings are further secured by equitable mortgage of the following properties of the erstwhile promoter directors.

Sr. No.	Owner/Erstwhile Promoter	Detail of property
1.	Sh. R.S.Saluja	Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land measuring 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala, Ludhiana
5.	Sh. Neeraj Saluja	Land measuring 4840 sq.yds. at Village Jhande, Ludhiana
6.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

^According to the approved resolution plan, the Bank of Maharashtra, the dissenting financial creditor, received an unsecured rupee term amounting to Rs. 1,867 lakhs in lieu of 0.01% Unlisted Non-Marketable Secured Non-Convertible Redeemable Debentures of Rs. 100/- each of Rs. 534 lakhs, Rs. 1,244 lakhs out of secured rupee term loan and Rs. 89 lakhs out of a short-term loan. The dissenting financial creditor will be paid on priority over assenting financial creditors on a deferred basis. Pursuant to the approved Resolution Plan, a corporate guarantee provided by the Company prior to the approval date shall stand extinguished without any further act, deed or action upon settlement of the claims of the financial creditors, who are beneficiaries of such guarantee. In respect of corporate guarantee, a portion of secured long term loan amounting to Rs. 1,598 lakhs attributable to the lenders as unsecured term loan.

**2,87,80,793 Nos. Unlisted Non-Marketable 0.01% Secured Non-Convertible Redeemable Debentures of Rs. 100/- each & 685,207 Nos. Unlisted Non-Marketable 0.01% Unsecured Non-Convertible Redeemable Debentures of Rs. 100/- each were issued to the financial creditors of the Company on a preferential basis and 2,514,898 Nos. non interest bearing Unsecured Non-Convertible Redeemable Debentures of Rs. 100/- each to Resolution Applicant in accordance with the resolution plan as approved by the Hon'ble NCLT Chandigarh Bench. Debentures are amortized over the term period at the interest rate applicable as State Bank of India's MCLR per annum payable.

Repayment Profile of the Unlisted Non-Marketable 0.01% Secured/Unsecured Non-Convertible Redeemable Debentures is as under:

Financial Year	Amount (in lakhs	Repayment Terms
2027-28	5,400.00	4 equal quarterly installments starting from 30.06.2027 to 31.03.2028
2027-28	24,066.00	Balance outstanding amount on 31.03.2028

Repayment Profile of the Unlisted Non-Marketable Unsecured Non Interest Non-Convertible Redeemable Debentures is as under:

Financial Year	Amount (in lakhs	Repayment Terms
2028-29	2,514.90	Repayment due on 13.03.2029, subject to completion of repayment of Term Loan-I & II and NCDs issued to Financial Creditors pursant to the terms of Resolution Plan.

In addition to the existing securities available with the secured lenders, further Resolution Applicant pledged 8,946,369 equity shares of the Company held by them, in favour of lenders to secure the Long Term Loan, Short Term Loan and Non-Convertible Redeemable Debentures.

The detials of period and amount of default as on the balance sheet date in repayment of borrowings (secured/unsecured rupee term loans from banks & others) and interest thereon as under:

Name of the Banks/Other Parties	Repayment of borrowings^		Interest accrued & Due	
	Amount of default	Period of default (since)	Amount of default	Period of default (since)
Bank of Maharastra	71.52	30.09.2023	118.08	31.07.2023
Bank of Baroda	78.32	30.09.2023	129.10	31.07.2023
Central Bank of India	17.38	30.09.2023	28.57	31.07.2023
Export Import Bank of India	2.12	30.09.2023	3.49	31.07.2023
Indian Bank	548.58	30.09.2023	912.87	31.07.2023
Indian Overseas Bank	133.62	30.09.2023	167.49	31.07.2023
Karur Vysya Bank	10.73	30.09.2023	17.71	31.07.2023
Phoenix Arc Pvt. Ltd.	69.77	30.09.2023	115.16	31.07.2023
Punjab & Sind Bank	79.41	30.09.2023	68.96	31.07.2023
Punjab National Bank	253.68	30.09.2023	421.79	31.07.2023
Sber Bank	14.95	30.09.2023	24.68	31.07.2023
State Bank of India	1,116.38	30.09.2023	1,868.86	31.07.2023
UCO Bank	109.55	30.09.2023	177.16	31.07.2023
Union Bank of India	250.90	30.09.2023	413.24	31.07.2023
	2,756.91		4,467.16	

^repayment of borrowing is included in current maturities of long term borrowing, refer note no. 20

PROVISIONS (NON CURRENT) **NOTE NO. - 19**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Provision for Employee Benefits	57.69	468.33
TOTAL	57.69	468.33

CURRENT BORROWINGS **NOTE NO. - 20**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Secured Loans		
i) Current Maturities of Long Term Borrowings	12,128.76	3,605.00
TOTAL	12,128.76	3,605.00

LEASE LIABILITES (CURRENT) **NOTE NO. - 21**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Lease Liabilities	0.00	35.69
TOTAL	0.00	35.69

TRADE PAYABLES (CURRENT) **NOTE NO. - 22**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Trade Payables^		
-total outstanding dues of micro enterprises and small enterprises and;	454.63	320.58
-total outstanding dues of creditors other than micro enterprises and small enterprises	9,080.51	8,080.33
TOTAL	9,535.15	8,400.91

^ageing schedule refer note no. 54

^Based on and to the extent of information received from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 as identified by the Management for the period ended 31st March, 2024. This has been relied upon by the auditors. The relevant particulars as at 31st March, 2024 are given below:

Particulars	31.03.2024	31.03.2023
(i) the principal amount remaining unpaid to any supplier as at the end of the accounting year	454.63	320.58
(ii) interest due and unpaid to any supplier as at the end of the accounting year	25.20	17.24
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	2.03	1.70
(iv) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	38.71	17.24
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

OTHER FINANCIAL LIABILITIES (CURRENT) **NOTE NO. - 23**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Interest Accrued and due on Borrowings	4,470.11	-
ii) Employees Benefits	1,102.90	1,265.45
iii) Payable to Vendors-Non Trade	111.55	200.00
iv) Expenses Payable	1,625.85	2,805.68
v) Others Payable	15.84	50.14
TOTAL	7,326.26	4,321.26

OTHER CURRENT LIABILITIES **NOTE NO. - 24**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Statutory Dues & Taxes	184.75	100.93
ii) Advances from Customers	12.30	27.45
TOTAL	197.05	128.38

PROVISIONS (CURRENT) **NOTE NO. - 25**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Provision for Employee Benefits	34.61	50.15
TOTAL	34.61	50.15

LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE **NOTE NO. - 26**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Advance received against sale of Plant, Property & Equipments	-	1,070.60
TOTAL	-	1,070.60

REVENUE FROM OPERATIONS **NOTE NO. - 27**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Sale of Products		
Finished Goods	34,354.36	50,837.68
Raw Material	651.40	74.08
Sale of Services	154.46	2,609.81
Other Operating Income		
Others	2,267.09	1,915.19
TOTAL	37,427.31	55,436.76

OTHER INCOME **NOTE NO. - 28**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Export Incentives	33.49	79.93
Interest	104.28	275.28
Other Income	7.75	45.41
Foreign Exchange Fluctuation	5.39	30.65
Profit on Sale of Property, Plant & Equipments	376.64	1,516.50
Rental Income	19.89	38.44
TOTAL	547.43	1,986.21

COST OF MATERIAL CONSUMED **NOTE NO. - 29**

Particulars		Figures for the current reporting period	Figures for the previous reporting period
Raw Material Consumed			
Opening Stock		500.79	559.11
Add: Purchases (net)		29,321.46	45,493.24
		29,822.25	46,052.35
Less: Closing Stock		414.12	500.79
Cost of raw material consumed during the year	(A)	**29,408.12**	**45,551.56**
Packing Material Consumed			
Opening Stock		109.66	212.44
Add: Purchases (net)		463.76	1,004.65
		573.41	1,217.09
Less: Closing Stock		98.41	109.66
Cost of packing material consumed during the year	(B)	**475.01**	**1,107.43**
TOTAL	(A+B)	**29,883.13**	**46,659.00**

CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS **NOTE NO. - 30**

Particulars		Figures for the current reporting period	Figures for the previous reporting period
Opening Stocks			
Work in Progress		2,692.44	921.31
Finished Goods		1,688.19	1,514.39
	(A)	4,380.63	2,435.70
Closing Stocks			
Work in Progress		490.33	2,692.44
Finished Goods		494.62	1,688.19
	(B)	984.95	4,380.63
Decrease/(Increase) in Inventories	(A-B)	**3,395.67**	**(1,944.93)**

EMPLOYEE BENEFITS EXPENSE **NOTE NO. - 31**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Wages,Salaries & Other Allowances	2,364.23	4,182.52
Contribution to PF, ESI & Other Funds	191.35	310.45
Staff & Labour Welfare	18.15	38.73
TOTAL	**2,573.72**	**4,531.70**

FINANCIAL COSTS **NOTE NO. - 32**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
a) Bank Charges	5.80	18.14
b) Interest on		
i) Term Loans	5,915.19	4,269.07
ii) Debentures	2.95	2.95
iii) Others	37.56	25.47
TOTAL	5,961.49	4,315.64

DEPRECIATION & AMORTISATION EXPENSES **NOTE NO. - 33**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Depreciation of Tangible Assets	9,480.50	10,123.91
Amortisation of Leasehold Land	1.23	1.23
Depreciation of Right to Use Assets	33.92	33.92
TOTAL	9,515.64	10,159.05

OTHER EXPENSES **NOTE NO. - 34**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Powel & Fuel	6,223.40	11,000.40
Consumables & Repair Maintenance	232.50	1,068.92
Job Work Expenses	1.43	10.02
Printing & Stationery	1.29	2.40
Insurance	185.82	225.86
Fees & Taxes	79.76	146.55
Legal & Professional Charges	42.78	49.35
Postage & Courier Charges	0.35	0.58
Telephone Expenses	5.40	10.44
Statutory Auditors' Remuneration		
-Audit Fee	6.00	6.00
-Reimbursement of Expenses	0.26	0.14
Tax Auditors' Remuneration		
-Tax Audit Fee	1.50	1.50
Cost Auditors' Remuneration		
-Audit Fee	0.77	0.77
General Repair & Maintenance	32.83	37.75
Office Expenses	27.66	27.39
Rent	28.60	44.09
Travelling & Conveyance	15.36	31.07
Water Charges	40.26	65.31
Advertisement	2.76	3.38
Building Repair & Maintenance	3.65	10.50
Vehicles Expenses	33.00	48.94
Business Promotion	0.74	-
Commission	5.64	2.07
Rebate & Discount	2.62	-
Clearing Forwarding & Freight Outward	102.76	507.02
TOTAL	7,077.14	13,300.45

EXCEPTIONAL ITEMS **NOTE NO. - 35**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Allowance/(Reversal) of Allowance for Doubtful Receivables	(102.69)	(182.64)
Allowance/(Reversal) of Doubtful Loans & Advances	(1,353.18)	(981.38)
Loss on Written Off of Investments in Subsidairy Company	1,443.76	-
Reversal of Impairment of Investments in Subsidairy Company	(1,443.76)	-
Reversal of GST Input Credit and interest thereon	309.63	142.55
TOTAL	(1,146.23)	(1,021.47)

KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS

B-XX-2815, IInd Floor, Gurdev Nagar,
Pakhowal Road, Ludhiana– 141001
Mobile No.98140-22781,98550-37608
E-Mail:mmasso123@gmail.com

INDEPENDENT AUDITORS' REPORT

To
The Members of SEL Manufacturing Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the accompanying Consolidated Financial Statements of SEL Manufacturing Company Limited ("the Parent Company") and its subsidiary (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss(including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended on that date and a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated financial statement").

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

Basis for Opinion
We conducted our audit of the consolidated Ind AS Financial Statements 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Material Uncertainty relating to Going Concern
We draw your attention:

- As per resolution plan approved and implemented in Financial Year 2020-21, the parent company was stipulated to bring Rs. 6,500 lakhs for working capital and operational needs within first year of operation against which the company brought only Rs. 2,500 lakhs which created shortfall in working capital funds and affected the performance of the parent company.
- The parent company is incurring continuous losses since the implementation of resolution plan and had incurred total cumulative losses of Rs. 51,018 lakhs in last three years since implementation of resolution plan.
- Analytical Ratios of the parent company are reflecting tight liquidity, poor solvency as well as losses. The Current Ratio of 0.10:1 as at March 31, 2024 as against 0.50:1 as at March 31, 2023 clearly reflects squeezing of liquidity during the year. The liquidity ratios and Solvency Ratios of the parent company are deteriorated over previous years.
- The parent company has a debt obligation of around Rs. 9,372 lakhs for the financial year 2024-25. Further Debt obligations are supposed to be paid out of working funds which will further add to the liquidity crunch of the parent company.
- As at year end, the current liabilities of the parent company are exceeding its current assets, which reflect erosion of Working Capital funds of the parent company.

- Moreover, Risk Management Committee of the parent company, had raised concerns regarding the financial risk faced by the parent company by stating that the parent company needs to review the plan of repayment and sources of funds for the same and In case the current scenario is carried forward for another 2-3 quarters, the parent company may be at risk of default.
- Refer to Note no. 60 to the consolidated financial statements, the Company's performance is sub-optimal and falls short of expectations. The Company is currently operating at a deficit and experiencing severe liquidity stress. The plants of the company were remain shut down for most of the period in the year under consideration This dire financial predicament has rendered the Company incapable of fulfilling its various financial obligations. The company has defaulted in quarterly installment due on 30th September, 2023, 31st December, 2023 & 31st March, 2024 amounting to Rs. 2,756 lakhs and also has not paid the interest due for the period July 2023 to March 2024 amounting to Rs. 4,467.16 lakhs.
- Refer to Note no. 71 to the consolidated financial statements, the company has made default in payment of electricity dues of plant located at Village Mehatwara, Sehore, MP. The Madhya Pradesh Madhya Kshetra Vidyut Vitaran Co. Limited (MPMPKVV), Bhopal has discontinued the electricity supply. Also due to the default in payment of electricity dues of plant located at Village Lal Kalan, Ludhiana. The Punjab State Power Corporation Limited (PSPCL) has discontinued the electricity supply.
- Refer to Note no. 76 to the consolidated financial statements, the shareholders of the Company have passed the resolution regarding the Initiation of Corporate Insolvency Resolution Process under Section 10 (including any modification or re-enactment thereof), if any, of the Insolvency and Bankruptcy Code, 2016 in its Extra Ordinary General Meeting held on 13th October, 2023.
- Further the parent company has decided to suspend pending capital projects which otherwise requires additional funds to complete the pending capital projects.

Given the present circumstances, it concerns the parent company's ability to meet its contractual/financial obligations w.r.t repayment of principal and interest on secured borrowings and arranging funds for ensuring normal operations as well as for pending capital projects.

The above factors indicate the existence of a material uncertainty that may cast significant doubt on the parent company's ability to continue as going concern and therefore parent company may be unable to discharge its liabilities in the normal course of business unless some concrete efforts are made by the parent company to come out of financial crisis by infusing interest free long term funds and increasing the volume of operations as well as profits of the parent company.

Emphasis of Matter

We draw your attention to the following matters:

(1) As reported vide Note no. 56 to the consolidated financial statements, the Company Secretary has resigned from the parent company and the parent company is in the process of filling vacancy within the stipulated timeframe as mentioned in Section 203 of Companies Act, 2013.

(2) As reported in Note no. 73 to the consolidated financial statements, the parent company has received a notice for imposition of fine amounting to Rs. 4.01 lakhs from the National Stock Exchange of India Limited and BSE Limited regarding non compliance with SEBI (LODR) Regulations, 2015 ("Listing Regulations") and/or Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 ("Depository Regulations"). However, the company has suitably filed the reply for the said notices.

(3) As reported vide Note no. 59 of the consolidated financial statements, Bank of Maharashtra had declared parent company (under old / previous management prior to liquidation) as willful defaulter. Similarly, the parent company has also received a notice from India Exim Bank for appearance before "Willful Defaulter Committee" in earlier year for replying on the willful defaulter notice.

(4) As reported vide Note no. 72 of the consolidated financial statements, the company has netted off sale rate difference (relating to the financial year 2018-19) amounting to Rs. 225 lakhs from sale of goods.

(5) As reported vide Note no. 58 regarding the balance confirmations of Trade Receivables, Capital Advances, Advance to Suppliers & Trade Payables. During the course of preparation of consolidated financial statements, letters have been sent to various parties by the company with a request to confirm their balances out of which few parties have confirmed their balances to company.

(6) As reported vide Note no. 43(vi) of the consolidated financial statements, the Directorate of Enforcement carried out search, seizure or freezing action at the registered office of the Company on 12th January 2024 under section 17 of the Prevention of Money Laundering Act, 2002 (15 of 2003).

Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of financial statements of the current year. 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.

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

The Company's Board of Directors is responsible for the preparation and presentation of its report herein after called the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the consolidated Financial Statements and our Auditor's Report thereon. The Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information and we do not express any form of assurance conclusion thereon.

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

When we read the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, if based on the work performed we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 and presentation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015 as amended and other accounting principles generally accepted in India. The respective management of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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; 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management of the company included in the group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective management of the company included in the group is also responsible for overseeing the financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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

• Obtain an understanding of internal financial 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 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 consolidated 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 Group to cease to continue as a going concern.

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

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

We draw attention to the following matter:

1. During the year, the subsidiary of the Company has been struck off w.e.f 25.11.2023 by the Registrar of Companies based on the application filed under section 248(5) of the Companies Act, 2013. Accordingly, total assets (net) & total revenue of the said subsidiary stood at Rs. Nil, for the year ended under consideration, as per report provided by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report provided by the management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements.

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 consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and the consolidated statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of consolidated financial statements .

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors of the company as on 31st March, 2024, taken on record by the Board of Directors of the company and its subsidiary and the report of the statutory auditor of the Subsidiary Company, none of the directors of the Group Companies is disqualified as on 31st March, 2024, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.

f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 above .

g. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in “Annexure A” which is based on the auditor’s reports of the Company and its subsidiary Company.

h. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note no. 39(a) to the consolidated financial statements;

   ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv.(a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or its Subsidiary Company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or its Subsidiary Company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Parent Company or its Subsidiary Company incorporated in India from any persons or entities, including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its Subsidiary Company incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and(ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend (including interim and final dividend) during the year.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, we report qualification/adverse remark of the Parent company as under :

Sr. No.	Name	CIN	Parent company/subsidiary	Clause number of the CARO report which is qualified or adverse
1	SEL Manufacturing Company Limited	L51909PB2000PLC023679	Parent Company	3(vii)(a), 3(ix)(a), 3(xvii), and 3(xix)

For Kamboj Malhotra& Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA ManikMalhotra)
Partner
M.No.: 094604
UDIN: 24094604BKEBJF3446

Place: Ludhiana
Date: 30.05.2024

Annexure - A to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under the heading of "Report on other legal and regulatory requirements" of our report to the members of SEL Manufacturing Company Limited of even date)

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

The Report hereunder on internal financial control is based on the audit of internal financial control of the Parent company as neither any report on internal financial control has been received from subsidiary nor the same is applicable to it.

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2024. We have audited the Internal financial controls over financial reporting of SEL Manufacturing Company Limited (the Parent Company) and its subsidiary (collectively referred to as "the Group") as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company and its subsidiary company which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 Accountant 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 the 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 the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the company and its subsidiary company which is incorporated in India 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 Institute of Chartered Accountants of India 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 control system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over financial reporting

A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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

Inherent Limitations of Internal Financial Controls 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 internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604
UDIN: 24094604BKEBJF3446

Place: Ludhiana
Date: 30.05.2024

SEL MANUFACTURING COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. In lakhs)

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	**4**	97,738.24	1,07,253.89
(b) Capital Work in Progress	**4**	4,246.00	4,246.00
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	**4**	-	-
(f) Intangible Assets under Development		-	-
(g) Biological Assets Other Than Bearer Plants		-	-
(h) Financial Assets			
(i) Investments	**5**	129.51	88.22
(ii) Trade Receivable		-	-
(iii) Loans		-	-
(iv) Others	**6**	3.14	2.57
(i) Deferred Tax Assets (Net)		-	-
(j) Other Non-Current Assets	**7**	482.23	2,050.23
		1,02,599.12	**1,13,640.90**
(2) Current Assets			
(a) Inventories	**8**	1,715.75	5,267.96
(b) Financial Assets			
(i) Current Investments		-	-
(ii) Trade Receivables	**9**	81.26	590.56
(iii) Cash & Cash Equivalents	**10**	297.34	294.31
(iv) Bank Balances other than (iii) above	**11**	41.88	39.80
(v) Loans		-	-
(vi) Others	**12**	1.13	1.12
(c) Current Tax Assets (Net)	**13**	221.46	683.99
(d) Other Current Assets	**14**	546.99	1,185.47
		2,905.80	**8,063.22**
(3) Assets Classified as held for Sale	**15**	-	767.84
TOTAL ASSETS		**1,05,504.93**	**1,22,471.96**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	**16**	3,313.47	3,313.47
(b) Other Equity	**17**	(8,952.38)	11,539.54
		(5,638.91)	14,853.01
Non-Controlling Interest	**18**	(0.00)	(11.13)
Total Equity		**(5,638.91)**	**14,841.88**
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**19**	81,864.32	89,549.67
(ia) Lease Liabilities		-	-
(ii) Trade Payables		-	-
(A) total outstanding dues of micro enterprises and small enterprises and;			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises			
(iii) Other Financial Liabilites		-	-
(b) Provisions	**20**	57.69	468.33
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non-Current Liabilities		-	-
		81,922.01	**90,018.00**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**21**	12,128.76	3,605.00
(ia) Lease Liabilities	**22**	0.00	35.69
(ii) Trade Payables	**23**		
(A) total outstanding dues of micro enterprises and small enterprises and;		454.63	320.58
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		9,080.51	8,080.33
(iii) Other Financial Liabilities	**24**	7,326.26	4,321.36
(b) Other Current Liabilities	**25**	197.05	128.38
(c) Provisions	**26**	34.61	50.15
(d) Current Tax Liabilities(Net)		-	-
		29,221.82	**16,541.48**
(3) Liabilities directly associated with assets classified as held for sale	**27**	-	1,070.60
TOTAL EQUITY & LIABILITIES		**1,05,504.93**	**1,22,471.96**

See accompanying notes to the financial statements

As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

For and on the behalf of Board of Directors

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(CA Manik Malhotra)
Partner
M.No.: 094604

Place: Ludhiana
Date: 30.05.2024

(Navneet Gupta)
Chief Financial Officer

SEL MANUFACTURING COMPANY LIMITED

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

(Rs. In lakhs)

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue From Operations	**28**	37,427.31	55,436.76
II. Other Income	**29**	547.43	1,986.21
III. Total Income (I+II)		**37,974.75**	**57,422.97**
IV. Expenses			
Cost of Materials Consumed	**30**	29,883.13	46,659.00
Purchases of Stock-in-Trade		9.51	14.68
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	**31**	3,395.67	(1,944.93)
Employee Benefits Expense	**32**	2,573.72	4,531.70
Finance Cost	**33**	5,961.49	4,315.65
Depreciation and Amortization Expense	**34**	9,515.64	10,159.05
Other Expense	**35**	7,077.09	13,300.50
Total Expenses (IV)		**58,416.25**	**77,035.65**
V. Profit/(Loss) Before Exceptional Items And Tax (I-IV)		**(20,441.51)**	**(19,612.69)**
VI. Exceptional Items	**36**	(1,146.23)	(1,021.47)
VII. Profit/(Loss) Before Tax (V-VI)		**(19,295.27)**	**(18,591.22)**
VIII. Tax Expense			
a) Current Tax		-	-
IX. Profit/(Loss) for the period from Continuing Operations (VII-VIII)		**(19,295.27)**	**(18,591.22)**
X. Profit/(Loss) from Discontinued Operations		-	-
XI. Tax Expense of Discontinued Operations		-	-
XII. Profit/(Loss) from Discontinuing Operations (After Tax) (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX+XII)		**(19,295.27)**	**(18,591.22)**
Profit/(Loss) attributable to			
(1) Owners of the Company		(19,295.28)	(18,591.22)
(2) Non-Controlling Interests		0.00	0.00
Profit/(Loss) for the period		**(19,295.27)**	**(18,591.22)**
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		453.39	273.34
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		-	-
B (i) Items that will be reclassified to Profit or Loss		(1,638.90)	6,794.69
(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income(net of taxes)		(1,185.51)	7,068.03
XV. Total Comprehensive Income for the Period (XIII+XIV)		**(20,480.78)**	**(11,523.19)**
Total Comprehensive Income attributable to			
(1) Owners of the Company		(20,480.78)	(11,523.19)
(2) Non-Controlling Interests		0.00	0.00
Total Comprehensive Income		**(20,480.78)**	**(11,523.19)**
XVI. Earning per Equity Share (for Continuing Operations)	**38**		
1) Basic		(58.23)	(56.11)
2) Diluted		(58.23)	(56.11)
XVII. Earning per Equity Share (for Discontinued Operations)			
1) Basic		-	-
2) Diluted		-	-
XVIII. Earning per Equity Share (for Discontinued & Continuing Operations)	**38**		
1) Basic		(58.23)	(56.11)
2) Diluted		(58.23)	(56.11)
See accompanying notes to the financial statements			

As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

(CA Manik Malhotra)
Partner
M.No.: 094604

Place: Ludhiana
Date: 30.05.2024

For and on the behalf of Board of Directors

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(Navneet Gupta)
Chief Financial Officer

SEL MANUFACTURING COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) Current reporting period ended on 31st March, 2024 (In lakhs)

Balance at the beginning of the current period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current period
3,313.47	-	3,313.47	-	3,313.47

(2) Previous reporting period ended on 31st March, 2023

Balance at the beginning of the previous period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous period
3,313.47	-	3,313.47	-	3,313.47

B. Other Equity

(1) Current reporting period ended on 31st March, 2024

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus					Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	General Reserve	Foreign Exchange Fluctuation Reserve	Retained Earnings							
Balance at the beginning of the current period	-	-	**2,642.14**	**51,937.97**	-	-	**(57,943.95)**	-	-	-	-	-	**14,903.37**	**11,539.54**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	2,642.14	51,937.97	-	-	(57,943.95)	-	-	-	-	-	14,903.37	**11,539.54**
Total Comprehensive Income for the year	-	-	-	-	-	-	**(19,295.28)**	-	-	-	-	-	**(1,185.51)**	**(20,480.78)**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	**11.13**	-	-	-	-	-	-	-	-	-	-	**11.13**
Balance at the end of the current period	-	-	**2,631.01**	**51,937.97**	-	-	**(77,239.22)**	-	-	-	-	-	**13,717.87**	**(8,952.38)**
														-

(2) Previous reporting period ended on 31st March, 2023

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus					Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	General Reserve	Foreign Exchange Fluctuation Reserve	Retained Earnings							
Balance at the beginning of the previous period	-	-	**2,642.14**	**51,937.97**	-	-	**(39,352.73)**	-	-	-	-	-	**7,835.35**	**23,062.72**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	**2,642.14**	**51,937.97**	-	-	**(39,352.73)**	-	-	-	-	-	**7,835.35**	**23,062.72**
Total Comprehensive Income for the previous year	-	-	-	-	-	-	**(18,591.22)**	-	-	-	-	-	**7,068.03**	**(11,523.19)**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous period	-	-	**2,642.14**	**51,937.97**	-	-	**(57,943.95)**	-	-	-	-	-	**14,903.37**	**11,539.54**

As per our report of even date attached
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

For and on the behalf of Board of Directors

(CA Manik Malhotra)
Partner
M.No.: 094604

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

Place: Ludhiana
Date: 30.05.2024

(Navneet Gupta)
Chief Financial Officer

SEL MANUFACTURING COMPANY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW

(Rs. in Lakhs)

	Particulars	Details	Figures as at the end of the current reporting period	Details	Figures as at the end of the previous reporting period
A	**Cash Flow from Operating Activities**				
	Net Profit before Taxes & Extraordinary Items		**(19,295.28)**		**(18,591.22)**
	Adjustments for Non Cash Items:				
	-Depreciation & Amortization	9,515.64		10,159.05	
	-Provision/(Reversal of Provision) for Doubtful Debts	(102.69)		(182.64)	
	-Reversal of GST Input Credit and interest thereon	309.63		142.55	
	-Allowances for Loans & Advances	(1,353.18)		(981.38)	
	-Interest Cost	5,955.69		4,297.49	
	-Interest Income	(104.28)		(275.28)	
	-(Profit)/Loss on Plant, Property & Equipments	(376.64)		(1,516.50)	
			12,400.43		11,643.30
	Adjustments for Changes in Working Capital:				
	-Increase/ (Decrease) in Trade Payables	1,134.24		6,005.72	
	-Increase/ (Decrease) in Other Current & Financial Liabilities	2,420.68		(1,637.73)	
	-Increase/ (Decrease) in Current Provisions	(15.55)		(21.81)	
	-(Increase)/ Decrease in Trade Receivables	611.98		5,254.33	
	-(Increase)/ Decrease in Other Current Assets	1,679.95		2,142.98	
	-(Increase)/ Decrease in Current Assets Tax (Net)	462.53		701.12	
	-(Increase)/ Decrease in Current Loans	767.84		614.65	
	-(Increase)/ Decrease in Inventories	3,552.21	10,613.89	(1,694.12)	11,365.14
	Cash Generation from Operations		**3,719.04**		**4,417.23**
	-Taxes Paid		-		-
	Net Cash from Operating Activities		**3,719.04**		**4,417.23**
B	**Cash Flows from Investing Activities**				
	-Purchase of Plant, Property & Equipments	-		(5.83)	
	-Proceeds of Plant, Property & Equipments	376.64		1,516.90	
	-Interest Income	104.28		275.28	
	-Increase/(Decrease) of Non Current Investments	1,443.76		-	
	-(Increase)/ Decrease in Others Financial Assets Non Current	(0.58)		-	
	-Increase/(Decrease)in Other Financial Liabilities Non Current	-		(28.26)	
	-Increase/(Decrease)in Non Current Provisions	(410.64)		(119.25)	
	Net Cash Flows from Investing Activities		**1,513.45**		**1,638.84**
C	**Cash Flows from Financing Activities**				
	-Repayment of Non Current Borrowings	(841.78)		(2,825.61)	
	-(Increase)/ Decrease in Non Financial Assets Loans	1,568.00		(106.99)	
	-Proceeds/(Repayment) of Short term Borrowings	-		1,183.58	
	-Interest Cost	(5,955.69)		(4,297.49)	
	Net Cash Flows from Financing Activities		**(5,229.47)**		**(6,046.52)**
	Net Increase/(Decrease) in Cash & Cash Equivalent		**3.03**		**9.55**
	Cash & Cash Equivalents - Opening Balance		294.31		284.76
	Cash & Cash Equivalents - Closing Balance		**297.34**		**294.31**
	Reconciliation of Cash & Cash Equivalents with the Balance Sheet				
	Cash and Bank Balances as per Balance Sheet (Note No.10)				
	In Current Accounts		273.23		255.62
	Cash on Hand		24.11		38.69
	Cash & Cash Equivalents as at the year end		**297.34**		**294.31**

Subject to our Separate Report of Even Date
For Kamboj Malhotra & Associates
Chartered Accountants
Firm Reg. No. 015848N

For and on the behalf of Board of

(Rajeev Bhalla)
Mg. Director & CEO
DIN: 00551773

(Naveen Arora)
Whole Time Director
DIN: 09114375

(CA Manik Malhotra)
Partner
M.No.: 094604

Place: Ludhiana
Date: 30.05.2024

(Navneet Gupta)
Chief Financial Officer

I. Property, Plant and Equipment

NOTE NO.- 4

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Right of Use Asset	Total	Other Intangible Assets	Capital Work in Progress
Gross Value as at 1st April, 2022	8,493.43	162.07	83,734.51	1,95,315.80	3,795.43	658.54	476.99	135.66	2,92,772.44	455.76	4,246.00
Addition during the year	-	-	-	0.77	-	-	5.06	-	5.83	-	-
Deduction during the year	-	-	-	-	-	8.15	-	-	8.15	-	-
Gross Value as at 31st March, 2023	8,493.43	162.07	83,734.51	1,95,316.56	3,795.43	650.40	482.05	135.66	2,92,770.12	455.76	4,246.00
Addition during the year	-	-	-	-	-	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-	-	135.66	135.66	-	0.00
Gross Value as at 31st March, 2024	**8,493.43**	**162.07**	**83,734.51**	**1,95,316.56**	**3,795.43**	**650.40**	**482.05**	**-**	**2,92,634.46**	**455.76**	**4,246.00**
Depreciation & Impairment											
Depreciation as at 1st April, 2022	-	19.73	26,185.04	1,44,923.93	3,160.07	561.91	446.41	67.83	1,75,364.92	455.76	-
Depreciation for the year	-	1.23	2,465.61	7,539.69	97.04	18.88	2.69	33.92	10,159.05	-	-
Disposal during the year	-	-	-	-	-	7.74	-	-	7.74	-	-
Depreciation as at 31st March, 2023	-	20.96	28,650.66	1,52,463.61	3,257.11	573.05	449.10	101.75	1,85,516.23	455.76	-
Depreciation for the year	-	1.23	2,465.61	6,971.31	27.26	13.59	2.74	33.92	9,515.64	-	-
Disposal during the year	-	-	-	-	-	-	-	135.66	135.66	-	-
Depreciation as at 31st March, 2024	**-**	**22.19**	**31,116.27**	**1,59,434.92**	**3,284.37**	**586.63**	**451.84**	**-**	**1,94,896.21**	**455.76**	**-**
Net Book Value											
As at 31st March, 2024	8,493.43	139.88	52,618.25	35,881.64	511.06	63.76	30.22	-	97,738.24	-	4,246.00
As at 31st March, 2023	8,493.43	141.11	55,083.86	42,852.95	538.32	77.35	32.95	33.92	1,07,253.89	-	4,246.00

Property, Plant and Equipment given as secuirty against long term borrowings, refer note no. 18

Capital Work in Progress ageing schedule

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temprorarily suspended*	-	-	-	4,246.00	4,246.00
Total	**-**	**-**	**-**	**4,246.00**	**4,246.00**

*The Company underwent a corporate insolvency resolution process under section 31 of the Insolvency and Bankruptcy Code, 2016. During the year 2020-21, resolution plan was approved & implemented. Further, with a view to improving the performance of the Company, the reconstituted Board has a specific focus on utilizing the existing capacities & upgrading the efficiency/productivity of the existing machinery at the manufacturing plants and exploring various avenues of enhancing revenues. As part of the Corporate Insolvency Resolution Process, the impairment of capital work in progress was already done in the financial year 2019-20..

INVESTMENTS (NON CURRENT) **NOTE NO. - 5**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(1) Investment in Equity Instruments		
Quoted (At Fair Value)		
a) 778 Equity Shares of Rs. 10/- each fully paid up of Dhanus Technologies Limited	0.68	0.68
Less: Impairment in Value of Investment	(0.68)	(0.68)
Unquoted (At Fair Value)		
a) 299,300 Equity Shares of Rs. 1/- each fully paid up of The DSE Estates Limited	209.51	209.51
Less: Impairment in Value of Investment	(209.51)	(209.51)
Unquoted (At Cost)		
a) 14,000 Equity Shares of Rs. 10/- each fully paid up of Rythm Textile & Apparels Park Limited	1.40	1.40
b) 1,108,000 Equity Shares of Rs. 10/- each fully paid up of OPGS Power Gujrat Pvt. Ltd.	5.56	5.56
c) 48,050 Equity Shares of Rs. 10 Each fully paid up of Silverline Corporation Ltd.	4.81	4.81
(2) Investment in Mutual Funds (Unquoted-At Fair Value)		
a) 150,000 Units of Rs.10/- each of SBI Infrastructure Fund	61.86	35.73
b) 50,000 Units of Rs.10/- each of SBI PSU Fund	12.66	6.10
c) 55,187.638 Units of Rs. 10/- each of Union Multi Cap Fund	19.12	12.43
d) 100,000 Units of Rs.10/- each of SBI Gold Fund	24.10	22.20
TOTAL	129.51	88.22
Aggregate Amount of Quoted Investments	0.68	0.68
Market Value of Quoted Investments	-	-
Aggregate Amount of UnQuoted Investments	256.27	256.27
Aggregate Amount of Impairment in Value of Investments	210.19	210.19

OTHERS FINANCIAL ASSETS (NON CURRENT) **NOTE NO. - 6**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Bank Deposits with more than 12 months maturity	3.14	2.57
TOTAL	3.14	2.57

OTHER NON CURRENT ASSETS **NOTE NO. - 7**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(i) Capital Advances	1,625.33	1,625.33
(ii) Advances other than capital advances		
(a) Security Deposits	482.23	2,050.23
	2,107.56	3,675.56
Allowance/Impairment for Doubtful Loans & Advances	1,625.33	1,625.33
TOTAL	482.23	2,050.23

INVENTORIES **NOTE NO. - 8**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(Valued at Cost or Net Realisable Value, whichever is lower)		
(a) Raw Materials	512.53	610.45
(b) Work in Progress	490.33	2,692.44
(c) Finished Goods	494.62	1,688.19
-In Godown	494.62	1,677.68
-In Transit	-	10.51
(d) Stores & Spares	218.26	276.88
TOTAL	1,715.75	5,267.96

TRADE RECEIVABLES (CURRENT)* **NOTE NO. - 9**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
a) Trade Receivables considered good-Secured	-	-
b) Trade Receivables considered good-Unsecured^	81.26	590.56
c) Trade Receivables which have significant increase in Credit Risk; and	-	-
d) Trade Receivables-credit impaired	1,766.71	1,869.40
	1,847.97	2,459.95
Less: Allowance for Doubtful Receivables (Expected Credit Loss Allowance)	1,766.71	1,869.40
TOTAL	81.26	590.56

*ageing schedule refer note no. 53

^Trade Receivables-credit impaired include Rs. 1,160.36 lakhs (Previous Year Rs. 1,396.61) due from the related parties.

CASH & CASH EQUIVALENTS **NOTE NO. - 10**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Balances With Scheduled Banks		
i) In Current Accounts	273.23	255.62
(b) Cash on Hand	24.11	38.69
TOTAL	297.34	294.31

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS **NOTE NO. - 11**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Other Bank Balances		
i) In Fixed Deposits Accounts	41.88	39.80
(Deposits with original maturity of more than three months but less than twelve months)		
TOTAL	41.88	39.80

OTHERS FINANCIAL ASSETS (CURRENT) **NOTE NO. - 12**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Interest Receivable	1.13	1.12
TOTAL	1.13	1.12

CURRENT TAX ASSETS (NET) **NOTE NO. - 13**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Prepaid Taxes	221.46	683.99
TOTAL	221.46	683.99

OTHER CURRENT ASSETS **NOTE NO. - 14**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(Unsecured, considered good)		
i) Advances to Suppliers	827.11	3,740.02
ii) Balance with Govt. Authorities	27,104.93	27,619.15
iii) Prepaid Expenses	16.35	132.00
iv) Others	1,026.46	1,027.63
	28,974.84	32,518.81
Less: Allowance for Doubtful Receivables (Expected Credit Loss Allowance)	28,427.85	31,333.33
TOTAL	546.99	1,185.47

ASSETS CLASSIFIED AS HELD FOR SALE **NOTE NO. - 15**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Property, Plant & Equipment	-	767.84
TOTAL	-	767.84

EQUITY SHARE CAPITAL **NOTE NO. - 16**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Authorised		
1,000,000,000 Equity Shares	1,00,000.00	1,00,000.00
250,000,000 1% Redeemable, Non Cumulative, Non Convertible Preference Shares	25,000.00	25,000.00
(b) Issued, Subscribed & Paid Up		
33,134,700 Equity Shares Fully Paid Up	3,313.47	3,313.47
(c) Par Value per Share		
33,134,700 Equity Shares Rs. 10/-		

(d) Reconciliation of the number of shares outstanding

Particulars	Figures as at the end of the current reporting		Figures as at the end of the previous reporting period	
	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of the year				
Equity Shares	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Total	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Add: Addition during the year				
Equity Shares	-	-	-	-
Total	-	-	-	-
Less: Reduction during the year				
Equity Shares	-	-	-	-
Total	-	-	-	-
Shares outstanding at the end of the year				
Equity Shares	3,31,34,700	3,313.47	3,31,34,700	3,313.47
Total	3,31,34,700	3,313.47	3,31,34,700	3,313.47

(e) Detials of shares held by shareholders holding more than 5% shares in the Company

Particulars		Figures as at the end of the current reporting	Figures as at the end of the previous reporting period
State Bank of India	2,489,176 Shares	7.51%	7.51%
Indian Bank	1,816,483 Shares	5.48%	5.48%
ARR ESS Leading Edge Pvt. Ltd.(Holding Company)	24,851,025 Shares	75.00%	75.00%

(f) Terms/rights, preference, restrictions attached to shares.

During the year 2020-21, the resolution plan has been approved by Hon'ble National Company Law Tribunal, Chandigarh Bench vide its order dated 10th February, 2021 under the Insolvency and Bankrupty Code, 2016, the paid up equity share capital of the company was reduced and consolidated. Every shareholder holding 1000 equity share of Rs.10/- each got 1 equity share of Rs. 10/- and the fractional shares were allotted in favour of SBICAP Trustee Company Limited, acting as Trustee. As per the scheme of reduction and consolidation, 32,803,353 equity shares (new) were allotted in favour of financial creditors and resolution applicant.

(g) Shares held by promoters at the end of the period

Promoter Name	No. of Shares	% of total shares	% Change during the year
ARR ESS Leading Edge Private Limited*	2,48,51,025	75	Nil
Total	2,48,51,025	75	Nil

*Leading Edge Commercial FZE is a Ultimate Holding Company of the Company

OTHER EQUITY **NOTE NO. - 17**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Captial Reserve		
Opening Balance	2,642.14	2,642.14
Add: Addition during the year	-	-
	2,642.14	2,642.14
Less: Deduction during the year	11.13	-
	2,631.01	2,642.14
(b) Securities Premium		
Opening Balance	51,937.97	51,937.97
Add: Subsidairy cease to exist	-	-
	51,937.97	51,937.97
Less: Deduction during the year	-	-
	51,937.97	51,937.97
(c) Other Comprehensive Income		
Opening Balance	14,903.37	7,835.35
Add: Addition during the year	453.39	273.34
	15,356.77	8,108.69
Less: Deduction during the year	1,638.90	(6,794.69)
	13,717.87	14,903.37
(d) Retained Earnings		
Opening Balance	(57,943.95)	(39,352.73)
Add: Addition during the year	(19,295.28)	(18,591.22)
	(77,239.22)	(57,943.95)
Less: Deduction during the year	-	-
	(77,239.22)	(57,943.95)
TOTAL	**(8,952.38)**	**11,539.54**

Nature and Purpose of Reserves

(i) Securities Premium Account

Securities Premium account is created on recording of premium on issue of shares. The reserve shalll be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital Reserve

Equity warrants issued in an earlier years on preferential basis, carrying an option to the holder of such warrants to execrised the option within 18 months from the date of allotment. The holders of equity warrants have not exercised their right of conversion within the stipulated period of 18 months from the date of allotment. Consequently, the said warrants stand forfeited and the application money received against warrants has been transferred to Capital Reserve.

(iii) Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments & amortization of borrowings in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted as per provisions of the Ind AS.

(iv) Retained Earnings

The same is created out of profits over the years and shall be utilized as per the provisions of the Act.

NON CONTROLLING INTERESTS **NOTE NO. - 18**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(i) Non Controlling Interests		
Opening Balance	(11.13)	(11.13)
Add: Addition during the year	0.00	(0.00)
	(11.13)	(11.13)
Less: Deduction during the year	(11.13)	(0.00)
TOTAL	(0.00)	(11.13)

BORROWINGS (NON CURRENT) **NOTE NO. - 19**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(At Amortised Cost)		
(a) Secured Loans		
i) Term Loans		
Banks (RTL-I)*	51,518.56	59,915.04
From Other Parties*	1,339.47	1,673.32
(b) Unsecured Loans		
i) Banks (RTL)^	2,548.61	3,183.82
ii) Related Parties	3,159.24	3,252.85
(Interest free loans repayable in 2027-28)		
(c) Unlisted Non-Marketable 0.01% Secured Non-Convertible Redeemable Debentures**		
2,87,80,793 Debentures of Rs. 100/- each fully paid up	20,967.74	19,371.53
(d) Unlisted Non-Marketable 0.01% Unsecured Non-Convertiable Redeemable Debentures**		
685,207 Debentures of Rs. 100/- each fully paid up	499.20	461.19
(e) Unlisted Non-marketable Unsecured Non Interest Non-Convertible Redeemable Debentures**		
2,514,898 Debentures of Rs. 100/- each fully paid up	1,831.51	1,691.92
TOTAL	81,864.32	89,549.67

***Maturity Profile of Secured/Unsecured Term Loan(RTL-I) from Banks & Other Parties is as under:**

Financial Year	Amount (in la	Repayment Terms
2024-25	9,372	4 equal quarterly installments
2025-26	18,743	4 equal quarterly installments
2026-27	20,906	4 equal quarterly installments
2027-28	15,785	4 equal quarterly installments

Long term borrowings from banks are secured by the equitable mortgage of entire Land & Building of the Company and further secured by all the plant, property & equipments of the Company, immovable & movable, both present and future ranking pari-passu basis and personal guarantee of the erstwhile promoter directors. The said borrowings are further secured by equitable mortgage of the following properties of the erstwhile promoter directors.

Sr. No.	Owner/Erstwhile Promoter	Detail of property
1.	Sh. R.S.Saluja	Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land measuring 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala, Ludhiana
5.	Sh. Neeraj Saluja	Land measuring 4840 sq.yds. at Village Jhande, Ludhiana
6.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

^According to the approved resolution plan, the Bank of Maharashtra, the dissenting financial creditor, received an unsecured rupee term amounting to Rs. 1,867 lakhs in lieu of 0.01% Unlisted Non-Marketable Secured Non-Convertible Redeemable Debentures of Rs. 100/- each of Rs. 534 lakhs, Rs. 1,244 lakhs out of secured rupee term loan and Rs. 89 lakhs out of a short-term loan. The dissenting financial creditor will be paid on priority over assenting financial creditors on a deferred basis. Pursuant to the approved Resolution Plan, a corporate guarantee provided by the Company prior to the approval date shall stand extinguished without any further act, deed or action upon settlement of the claims of the financial creditors, who are beneficiaries of such guarantee. In respect of corporate guarantee, a portion of secured long term loan amounting to Rs. 1,598 lakhs attributable to the lenders as unsecured term loan.

**2,87,80,793 Nos. Unlisted Non-Marketable 0.01% Secured Non-Convertible Redeemable Debentures of Rs. 100/- each & 685,207 Nos. Unlisted Non-Marketable 0.01% Unsecured Non-Convertible Redeemable Debentures of Rs. 100/- each were issued to the financial creditors of the Company on a preferential basis and 2,514,898 Nos. non interest bearing Unsecured Non-Convertible Redeemable Debentures of Rs. 100/- each to Resolution Applicant in accordance with the resolution plan as approved by the Hon'ble NCLT Chandigarh Bench. Debentures are amortized over the term period at the interest rate applicable as State Bank of India's MCLR per annum payable.

Repayment Profile of the Unlisted Non-Marketable 0.01% Secured/Unsecured Non-Convertible Redeemable Debentures is as under:

Financial Year	Amount (in lakhs)	Repayment Terms
2027-28	5,400.00	4 equal quarterly installments starting from 30.06.2027 to 31.03.2028
2027-28	24,066.00	Balance outstanding amount on 31.03.2028

Repayment Profile of the Unlisted Non-Marketable Unsecured Non Interest Non-Convertible Redeemable Debentures is as under:

Financial Year	Amount (in lakhs)	Repayment Terms
2028-29	2,514.90	Repayment due on 13.03.2029, subject to completion of repayment of Term Loan-I & II and NCDs issued to Financial Creditors pursant to the terms of Resolution Plan.

In addition to the existing securities available with the secured lenders, further Resolution Applicant pledged 8,946,369 equity shares of the Company held by them, in favour of lenders to secure the Long Term Loan, Short Term Loan and Non-Convertible Redeemable Debentures.

The detials of period and amount of default as on the balance sheet date in repayment of borrowings (secured/unsecured rupee term loans from banks & others) and interest thereon as under:

Name of the Banks/Other Parties	Repayment of borrowings^		Interest accrued & Due	
	Amount of default	Period of default	Amount of default	Period of default (since)
Bank of Maharastra	71.52	30.09.2023	118.08	31.07.2023
Bank of Baroda	78.32	30.09.2023	129.10	31.07.2023
Central Bank of India	17.38	30.09.2023	28.57	31.07.2023
Export Import Bank of India	2.12	30.09.2023	3.49	31.07.2023
Indian Bank	548.58	30.09.2023	912.87	31.07.2023
Indian Overseas Bank	133.62	30.09.2023	167.49	31.07.2023
Karur Vysya Bank	10.73	30.09.2023	17.71	31.07.2023
Phoenix Arc Pvt. Ltd.	69.77	30.09.2023	115.16	31.07.2023
Punjab & Sind Bank	79.41	30.09.2023	68.96	31.07.2023
Punjab National Bank	253.68	30.09.2023	421.79	31.07.2023
Sber Bank	14.95	30.09.2023	24.68	31.07.2023
State Bank of India	1,116.38	30.09.2023	1,868.86	31.07.2023
UCO Bank	109.55	30.09.2023	177.16	31.07.2023
Union Bank of India	250.90	30.09.2023	413.24	31.07.2023
	2,756.91		4,467.16	

^repayment of borrowing is included in current maturities of long term borrowing, refer note no. 21

PROVISIONS (NON CURRENT) **NOTE NO. - 20**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Provision for Employee Benefits	57.69	468.33
TOTAL	57.69	468.33

CURRENT BORROWINGS **NOTE NO. - 21**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Secured Loans		
i) Current Maturities of Long Term Borrowings	12,128.76	3,605.00
TOTAL	12,128.76	3,605.00

LEASE LIABILITES (CURRENT) **NOTE NO. - 22**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Lease Liabilities	0.00	35.69
TOTAL	0.00	35.69

TRADE PAYABLES (CURRENT) **NOTE NO. - 23**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Trade Payables^		
-total outstanding dues of micro enterprises and small enterprises and;	454.63	320.58
-total outstanding dues of creditors other than micro enterprises and small enterprises	9,080.51	8,080.33
TOTAL	9,535.15	8,400.91

^ageing schedule refer note no. 54

^Based on and to the extent of information received from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 as identified by the Management for the period ended 31st March, 2024. This has been relied upon by the auditors. The relevant particulars as at 31st March, 2024 are given below:

	31.03.2024	31.03.2023
(i) the principal amount remaining unpaid to any supplier as at the end of the accounting year	454.63	320.58
(ii) interest due and unpaid to any supplier as at the end of the accounting year	25.20	17.24
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	2.03	1.70
(iv) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	38.71	17.24
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

OTHER FINANCIAL LIABILITIES (CURRENT) **NOTE NO. - 24**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Interest Accrued and due on Borrowings	4,470.11	-
ii) Employees Benefits	1,102.90	1,265.45
iii) Payable to Vendors-Non Trade	111.55	200.00
iv) Expenses Payable	1,625.85	2,805.68
v) Others Payable	15.84	50.24
TOTAL	7,326.26	4,321.36

OTHER CURRENT LIABILITIES **NOTE NO. - 25**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Statutory Dues & Taxes	184.75	100.93
ii) Advances from Customers	12.30	27.45
TOTAL	197.05	128.38

PROVISIONS (CURRENT) **NOTE NO. - 26**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
(a) Provision for Employee Benefits	34.61	50.15
TOTAL	34.61	50.15

LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE **NOTE NO. - 27**

Particulars	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
i) Advance received against sale of Plant, Property & Equipments	-	1,070.60
TOTAL	-	1,070.60

REVENUE FROM OPERATIONS **NOTE NO. - 28**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Sale of Products		
Finished Goods	34,354.36	50,837.68
Raw Material	651.40	74.08
Sale of Services	154.46	2,609.81
Other Operating Income		
Others	2,267.09	1,915.19
TOTAL	37,427.31	55,436.76

OTHER INCOME **NOTE NO. - 29**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Export Incentives	33.49	79.93
Interest	104.28	275.28
Other Income	7.75	45.41
Foreign Exchange Fluctuation	5.39	30.65
Profit on Sale of Property, Plant & Equipments	376.64	1,516.50
Rental Income	19.89	38.44
TOTAL	547.43	1,986.21

COST OF MATERIAL CONSUMED **NOTE NO. - 30**

Particulars		Figures for the current reporting period	Figures for the previous reporting period
Raw Material Consumed			
Opening Stock		500.79	559.11
Add: Purchases (net)		29,321.46	45,493.24
		29,822.25	46,052.35
Less: Closing Stock		414.12	500.79
Cost of raw material consumed during the year	(A)	**29,408.12**	**45,551.56**
Packing Material Consumed			
Opening Stock		109.66	212.44
Add: Purchases (net)		463.76	1,004.65
		573.41	1,217.09
Less: Closing Stock		98.41	109.66
Cost of packing material consumed during the year	(B)	**475.01**	**1,107.43**
TOTAL	(A+B)	**29,883.13**	**46,659.00**

CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS **NOTE NO. - 31**

Particulars		Figures for the current reporting period	Figures for the previous reporting period
Opening Stocks			
Work in Progress		2,692.44	921.31
Finished Goods		1,688.19	1,514.39
	(A)	4,380.63	2,435.70
Closing Stocks			
Work in Progress		490.33	2,692.44
Finished Goods		494.62	1,688.19
	(B)	984.95	4,380.63
Decrease/(Increase) in Inventories	**(A-B)**	**3,395.67**	**(1,944.93)**

EMPLOYEE BENEFITS EXPENSE **NOTE NO. - 32**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Wages,Salaries & Other Allowances	2,364.23	4,182.52
Contribution to PF, ESI & Other Funds	191.35	310.45
Staff & Labour Welfare	18.15	38.73
TOTAL	**2,573.72**	**4,531.70**

FINANCIAL COSTS **NOTE NO. - 33**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
a) Bank Charges	5.80	18.15
b) Interest on		
i) Term Loans	5,915.19	4,269.07
ii) Debentures	2.95	2.95
iii) Others	37.56	25.47
TOTAL	5,961.49	4,315.65

DEPRECIATION & AMORTISATION EXPENSES **NOTE NO. - 34**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Depreciation of Tangible Assets	9,480.50	10,123.91
Amortisation of Leasehold Land	1.23	1.23
Depreciation of Right to Use Assets	33.92	33.92
TOTAL	9,515.64	10,159.05

OTHER EXPENSES **NOTE NO. - 35**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Powel & Fuel	6,223.40	11,000.40
Consumables & Repair Maintenance	232.50	1,068.92
Job Work Expenses	1.43	10.02
Printing & Stationery	1.29	2.40
Insurance	185.82	225.86
Fees & Taxes	79.76	146.55
Legal & Professional Charges	42.78	49.35
Postage & Courier Charges	0.35	0.58
Telephone Expenses	5.40	10.44
Statutory Auditors' Remuneration		
-Audit Fee	6.00	6.05
-Reimbursement of Expenses	0.26	0.14
Tax Auditors' Remuneration		
-Tax Audit Fee	1.50	1.50
Cost Auditors' Remuneration		
-Audit Fee	0.77	0.77
General Repair & Maintenance	32.83	37.75
Office Expenses	27.66	27.39
Rent	28.60	44.09
Travelling & Conveyance	15.36	31.07
Water Charges	40.26	65.31
Advertisement	2.76	3.38
Building Repair & Maintenance	3.65	10.50
Vehicles Expenses	33.00	48.94
Business Promotion	0.74	-
Commission	5.64	2.07
Rebate & Discount	2.57	-
Clearing Forwarding & Freight Outward	102.76	507.02
TOTAL	7,077.09	13,300.50

EXCEPTIONAL ITEMS **NOTE NO. - 36**

Particulars	Figures for the current reporting period	Figures for the previous reporting period
Allowance/(Reversal) of Allowance for Doubtful Receivables	(102.69)	(182.64)
Allowance/Impairment for Doubtful Loans & Advances	(1,353.18)	(981.38)
Reversal of GST Input Credit and interest thereon	309.63	142.55
TOTAL	(1,146.23)	(1,021.47)

ANNEXURE- A TO THE DIRECTORS' REPORT

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

S. No	Particulars	Amount in Rs (in Lakhs) For the Financial Year ended 31/03/2024
1.	Name of the subsidiary	*SEL Aviation Private Limited
2.	The date since when subsidiary was acquired	26/03/2012
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-
5.	Share Capital	-
6.	Reserves and Surplus	-
7.	Total Assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before Taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	-

***During the year, the subsidiary of the company has been struck off by the Registrar of Companies, Punjab & Chandigarh based on the application filed under Section 248 (5) of the Companies Act, 2013.**

Part B Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

The Company does not have any Associates and Joint Ventures

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
NIL			

Name of the Subsidiaries which are yet to commence operations	Names of Subsidiaries which has been liquidated and sold during the year
---	**SEL Aviation Private Limited** (Strike off application was filed by Subsidiary Company and consequently approved by Registrar of Companies)

By order of the Board
For SEL Manufacturing Company Limited
(CIN: L51909PB2000PLC023679)

Date: 30th July, 2024
Place: 274, Dhandari Khud,
G.T. Road, Ludhiana – 141014
(Punjab)

NAVEEN ARORA
Whole-time Director
DIN: 09114375

RAJEEV BHALLA
Managing Director/ CEO
DIN: 0551773

NAVNEET GUPTA
Chief Financial Officer