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We are a thought that addresses multiple challenges.

We are a massive marketplace that can be accessed at your fingertips.

We are a solution that strengthens Atmanirbharta and fortifies Making in India.

We are based in the cloud, occupy space in the mind, and serve the entire nation.

WE ARE SG MART LIMITED.

AN ENTERPRISE WITH A UNIQUE PROPOSITION.

OUR UNIQUE PROPOSITION

**WE ARE IN THE
RIGHT PLACE AT
THE RIGHT TIME
WITH THE RIGHT
PRODUCTS.**



We firmly believe that **we** are in the right place.

We are in the building products space and are looking at an eye-popping

₹ **8** trillion opportunity.

The addressable market for the B2B construction material industry alone is huge – it is currently estimated at ₹6 Trillion, moving to about ₹8 trillion in three years.

PRODUCTS	2024 MARKET	2027(E) MARKET
Downstream steel	₹4.1 trillion	₹5.6 Trillion
Fixtures & Fittings (Bath fittings, Electrical fittings)	₹1.3 Trillion	₹1.8 Trillion
Tiles industry	₹0.4 Trillion	₹0.6 Trillion





OUR BELIEF IS PLATFORMED ON AUTHENTIC PROJECTIONS BY CREDIBLE AND RESPECTED GLOBAL NAMES.



Two sectors will primarily catalyse India's economic resurgence.

REAL ESTATE & INFRASTRUCTURE

Here is an insight into the growth estimates of these two sectors by reputed agencies.

2x

India will spend nearly ₹143 lakh crore on infrastructure in seven fiscals through 2030, more than twice the ~ ₹67 lakh crore spent in the previous seven starting fiscal 2017.

(Source: CRISIL)

5x

India's real estate sector, often seen as a bellwether of the economy, is expected to reach US\$ 1 trillion by 2030 from USD 200 billion in 2021 – an unprecedented 5x increase in less than a decade.

(Source: Report by NAREDCO and EY)

The bottomline is that...even if a fraction of these estimates transforms into reality, demand for building products will remain robust over more than the coming decade.

WE KNOW THAT OUR TIMING IS ABSOLUTELY RIGHT.

**WE ARE CREATING A UNIQUE B2B MARKETING
PLACE FOR BUILDING MATERIALS AT A TIME WHEN
B2B IS ON THE CUSP OF A TAKEOFF.**





INDIA'S B2B MARKETPLACE IS YET TO BE DISRUPTED BY TECHNOLOGY.

THE PENETRATION OF B2B MARKETPLACES IS AT ~1% TODAY VS. CHINA / USA, WHERE, OWING TO DIGITAL ADOPTION, IT IS AS HIGH AS 20%.

Two sectors will primarily catalyse India's economic resurgence.

REAL ESTATE & INFRASTRUCTURE

Here is an insight into the growth estimates of these two sectors by reputed agencies.

Moreover, of the

40_{MN}

registered MSMEs in India

>70%

are increasingly looking to digitally transform their businesses to meet customer demands.

Even as existing B2B marketing places have registered a 100-300% annual growth since COVID-19, there is a yawning gap that demands the creation of a robust B2B marketplace ecosystem.

WE ARE EXTREMELY CONFIDENT THAT WE HAVE JUST THE RIGHT PRODUCTS.

WHILE OUR MARKETPLACE OFFERS 23 PRODUCT CATEGORIES THAT COVER THE ENTIRE SPECTRUM OF BUILDING PRODUCTS, WE ARE FOCUSED ON DOWNSTREAM STEEL PRODUCTS.





HERE IS WHY

SINCE INDIA IS IN THE BUILDING MODE, STEEL IS THE BACKBONE OF EVERY BUILDING ACTIVITY, ITS DEMAND WILL REMAIN ROBUST OVER THE FORESEEABLE FUTURE.

At SG Mart, we have focused on downstream steel products that are sourced from leading steel brands.



TMT RODS



BINDING WIRE



WIREMESH



HR SHEETS



MS CHEQUERED SHEETS



TAPPING SCREWS



LIGHT STRUCTURE

We are
Distributing, Customising and Delivering
various steel products to customer requirements.

We have strategically positioned warehouses in Pune, Bangalore, Dujana, and Raipur, ensuring seamless accessibility and efficient distribution of remarkable products to our valued customers.

India's manufacturing sector growth is being supported by Product-linked Incentive (PLI) schemes worth

INR 2 TRILLION

across 14 key manufacturing sectors.

AT SG MART,
WE HAVE CREATED A MARKETPLACE FOR B2B
TRADING OF CONSTRUCTION MATERIALS TO
SUPPORT THE MSME IN THEIR GROWTH AMBITIONS,
FOR IN DOING SO, WE CONSIDER THAT WE HAVE
MADE A DEFINITIVE CONTRIBUTION TO MAKING
INDIA A MANUFACTURING HUB.





WE HAVE MADE A GOOD BEGINNING. HERE IS PROOF.



₹ 27 Bn
Revenue



₹ 619 Bn
EBITDA (excluding
other income)



2.3%
EBITDA Margin



₹ 610 Mn
Net Profit



2.3%
Net Profit Margin



₹ 615 Bn
Cash profit



-5 days
Net WC days as on
31 Mar 2024



43%
*ROCE for FY24



6%
*ROE for FY24



₹ 9.4 Bn
Net cash as on
31 Mar 2024



650+
Customers by end
of FY24

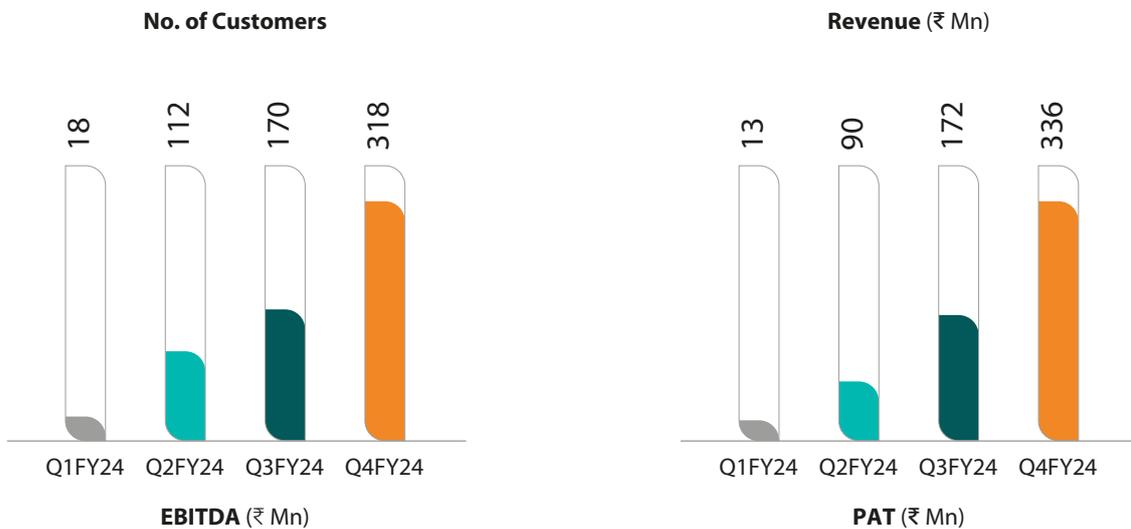
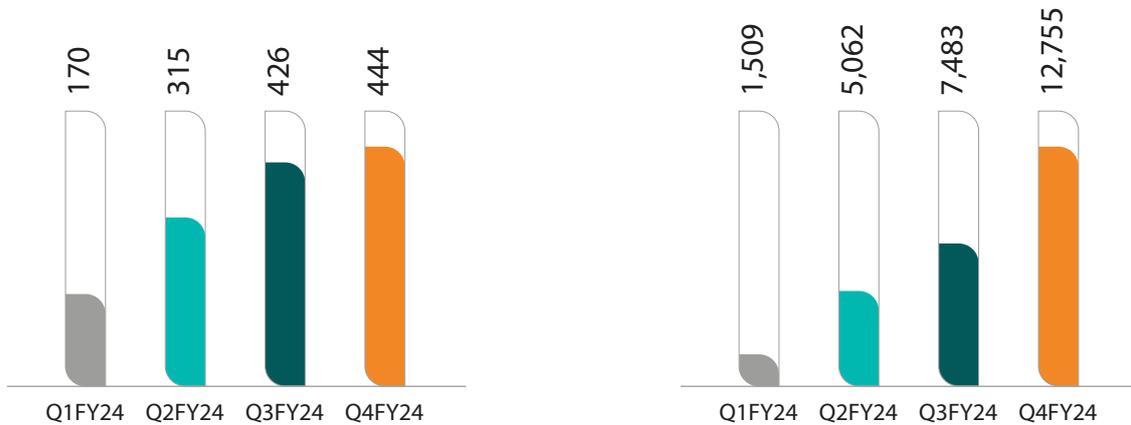


75+
Vendors by end
of FY24

* Business was started in June 2023. ROCE & ROE have been calculated on actual numbers for FY24. If annualised on Q4 basis, ROCE would be 87% and ROE would be 12%. Other income has not been considered for the purpose of EBIT calculation. ROE looks low because of equity infusion of ₹ 8.8 Bn in Nov 2023 and ₹ 1.35 Bn in August 2023

** Capital employed is Total assets minus current liability minus surplus cash as on 31 Mar 2024

...AND WE HAVE PROGRESSED EVERY QUARTER.



It showcases the accuracy of the business model, the excellence in execution and the promising potential.

ABOUT SG MART

WE AIM TO BE THE BIGGEST MARKETPLACE, THEREBY MAKING A MEANINGFUL CONTRIBUTION TO PROPELLING INDIA INTO A US\$10 TRILLION ECONOMY.

SG Mart operates and manages a one-of-a-kind building products market platform specialising in construction materials. It builds the bridge between smaller construction players and top-notch brands. Its extensive product portfolio positions it as a one-stop solution for building products. This B-2-B operating model primarily caters to traders, contractors, developers, retailers, wholesalers, etc.

VISION

To be the leading platform for Building Material solutions and simplifying business solutions.

MISSION

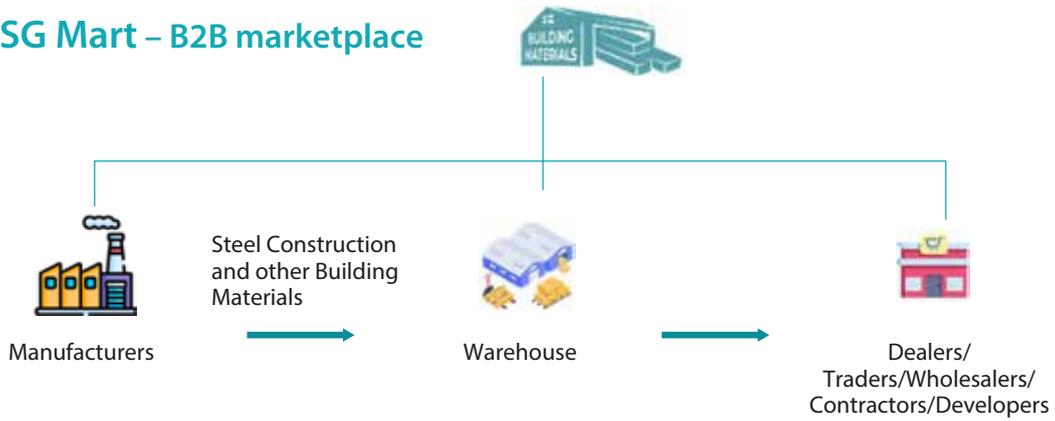
To enhance accessibility and make the procurement process for all stakeholders easy.

OUR VALUES

- Quality
- Transparency
- Customer focus ensuring customer satisfaction and success
- Integrity
- Collaboration
- Sustainability
- Reliability



SG Mart – B2B marketplace



1

Provides a platform to manufacturers across the country for construction material products

2

Delivering products of highest quality

3

Caters to traders, contractors, developers, retailers, wholesalers etc.

4

No minimum purchase requirement

52.69%

Promoter Group Holding

81

Team size

144

Capital employed, March 31, 2024
(₹ crore)

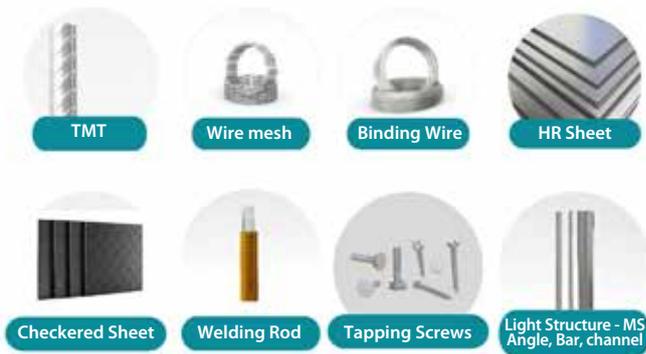
5,514.54

Market Capitalisation, March 31, 2024
(₹ crore)



PRODUCTS AVAILABLE ON OUR PLATFORM

Construction steel products



Fixtures, fittings and tiles



We have partnered with marquee brands in the building products segment to provide our customers with high-quality products.





OUR DIFFERENTIATED REVENUE MODEL

SG Mart has curated multiple revenue models suited to their customer needs.

SG Mart – Revenue Model

	No of registered customers – 650+	No of registered suppliers – 75+	SKUs – 1,750+	
	B2B business		B2C Distribution business	
	Metal Trading	Service Centres	TMT	Non-TMT
Products	HR Coil / Steel Billets / Zinc Ingots	Cut To Length / Slit / Chequered	TMT / Light Structurals / Metal Sheets / Welding Rods / Mesh Net Steel / Binding Wire	
Industry Gap	<ul style="list-style-type: none"> No large distributors currently associated with metal producers. Difficult for metal producers to push sales with rising production capacities. 	<ul style="list-style-type: none"> No organised steel processing centers. No steel processing centers in Tier II and Tier III cities. Steel end-users pay 2% - 3% freight cost to procure processed steel from metro cities. 	<ul style="list-style-type: none"> No B2B platform to connect fragmented demand and fragmented supply. Multiple SME manufacturers in the market, mostly unorganised / informal. Very few PAN India brands in TMT bar. 	
SG Mart's Right to Win	<ul style="list-style-type: none"> Group's strong relationships with steel producers. SG Mart's trading capacity is 20 times more than current largest steel trader. 	<ul style="list-style-type: none"> Availability of funds to open a vast network of organised service centers PAN India. Ability to source raw steel from steel mills. Group's lengthy experience in steel downstream sector. 	<ul style="list-style-type: none"> Strong distribution presence for the group in steel downstream products. Demand visibility worth ₹4Tn from group distributors who deal in steel downstream products. 	
Potential revenue FY27	₹60 Bn	₹60 Bn	₹30 Bn	₹30 Bn
Total ₹ 180 Bn				



STATEMENT FROM THE HELM

“OUR GRAND DREAM HAS BEEN TO CREATE THIS INCREDIBLE MARKETPLACE THAT WILL SERVE THE GREATER GOOD OF SMALL ENTREPRENEURS NATIONWIDE. WE HAVE MADE AN ENCOURAGING BEGINNING THAT PROMPTS US TO TAKE OUR ENTERPRISE TO THE NEXT LEVEL.”



Dear shareholders,

I am pleased to present our annual report, the maiden one since our public listing. At the outset, I welcome the new shareholders to the SG Mart family and thank the investor community for believing in our growth story.

At SG Mart, we have created a bridge in the building products space that connects small and medium-sized builders and contractors with leading brands. We have carefully created our B2B platform, complemented with value-added services to service the smaller businesses at the core of India's economic progress.

I am happy to state that in our first year of operations, we covered considerable ground and delivered an excellent set of numbers, which vindicates the correctness of our business model. This stellar performance in a year marked with challenges resulting from our

relentless focus on execution. I am grateful to the entire team for their unwavering support and collective efforts that have firmly positioned us on the journey to success.

During the year, we onboarded the iconic Bollywood actor Akshay Kumar as our brand ambassador, who epitomises the core values of our business philosophy. This strategic initiative has helped us widen our reach and grow our awareness considerably.

Optimism about the next

Having ended the year on a high note, I am positive about sustaining our progress in the current year. My optimism rests on a resurgent India.

India is poised at an inflection point where it stands to correct decades of extensive product under-consumption across the decade, helping retain its position among the fastest-growing global economies.



Our nation continues to allure global brands to set up manufacturing bases with a promising talent pool, strong domestic economy, resilient supply chains and the spirit of Atmanirbharta while spreading its wings to achieve the global dream of being an ideal manufacturing destination.

Further, media reports mention that over 28 crore Indian citizens want to buy a house among the 40-crore population yet to own a house in the country.

These factors promise amplified opportunities for the building products sector over the coming years.

Building material segments should grow at a pace of 8-12% for the foreseeable future, given various demand triggers, including India's urbanisation drive, rebound in the real estate market, healthy outlook for hospitality and health care sectors, and rising discretionary spends.

While the branded players are expanding their share in the market, the distribution continues to be extremely fragmented and inefficient. We believe this is an opportune time to increase the organised distribution of home-building materials; it will provide everyone with better availability, transparency and economics.

Our growth path

Eleanor Roosevelt once said, "The future belongs to those who believe in the beauty of their dreams".

Our grand dream has been to create this incredible marketplace that will serve the greater good of small entrepreneurs nationwide. We have made an

encouraging beginning that prompts us to take our enterprise to the next level.

We continue to map our portfolio against the dynamic market environment to create a portfolio that serves as a lever for our ambitions. We will add more products and brands to our marketplace to position our platform as the 'go-to marketplace' for small and big entrepreneurs. We will widen our coverage of the Indian landmass by entrenching our distribution network and warehouses. In doing so, we hope to unleash significant value for all our stakeholders.

Over a period of time, we aim to transform into a catalyst of progress that meets the aspirations for a better quality of life for billions of people in India. A brand that epitomises the promise of a better tomorrow.

In closing, I express my sincere gratitude to our employees, who are our most precious assets, in addition to our customers, for their trust in our brand, and all our stakeholders for their continued support and faith. Your belief navigates us ahead and motivates us to exceed stakeholder expectations and remain value-driven. I am certain that we will script an exciting growth journey ahead.

Looking forward to our prosperous future. Thank you

Shiv Kumar Niranjn Lal Bansal

Joint Managing Director



A circular cutout on the left side of the page showing an industrial setting with large metal coils or pipes.

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

India's economic growth in the financial year 2023-24 unfolds a dynamic narrative of expansion, opportunities and challenges. Amid slowdowns in the global economy, multiple geopolitical crises and climate change concerns, the Indian economy exhibited remarkable expansion in the financial year.

The country's economy grew by 8.2%, a remarkable jump from the projections for FY24. This growth is credited to various sectors. Manufacturing and construction played a pivotal role and grew by 9.9% each. Investments in India also increased by 9%, hinting towards a robust future. This growth has given India the tag of being the fastest-growing economy globally.

However, GDP rose much faster than the gross value added (GVA) – indirect taxes net of subsidies being the difference between the two measures – unusual but likely to be normalised shortly.

India's composite purchasing manager's index (PMI) stood at 61.8 in March 2024, indicating a straight 32-month expansion in private sector activity, with goods and services registering growth.

Input prices rose by the end of the financial year, although real inflation has eased down to a tolerable limit of 4.85% in March 2024. It was 5.66% in the same period in the previous fiscal. Headline inflation will likely be easing in the next financial year to 4% with a strong possibility of more than one rate cut by the central bank.

The country's growth prospects are positive with a vast population, diverse markets, rapid urbanisation and technological strides.

India's economic outlook has been revised due to the exceptional performance in FY24. Deloitte projects the economy to grow at a rate of 7.8% in FY25. This growth is driven by domestic demand, an increase in gross capital formation, a proxy for investment and a rise in private consumption backed by improvements in the rural scenario.

However, India will need to be cautious as the volatile geopolitical climate and rising crude oil prices can affect its growth in the future.



Source:

<https://www.thehindu.com/business/Indias-services-sector-growth-hits-13-and-a-half-year-high-in-march-on-robust-demand-conditions-pmi/article68027235.ece#:~:text=The%20HSBC%20India%20Composite%20PMI,to%20a%20five%2Dmonth%20high.>

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=2017771>

<https://economictimes.indiatimes.com/news/economy/indicators/march-gst-collection-up-11-5-yoy-at-rs-1-78-lakh-cr-fy24-mop-up-crosses-rs-20-lakh-crore/articleshow/108943100.cms?from=mdr>

<https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>



INDIAN INFRASTRUCTURE & CONSTRUCTION INDUSTRY

2ND
LARGEST
EMPLOYER
IN INDIA

6TH
LARGEST FDI
RECIPIENT
SECTOR FOR
INDIA IN 2023

3RD
LARGEST
CONSTRUCTION
MARKET GLOBALLY
BY 2025

Infrastructure, construction, and agriculture have been the backbone of the Indian economy, significantly boosting the country's economic growth and prowess. Infrastructure and Construction accounted for a staggering 9% share of the Indian GDP during the 2023-24 fiscal, with railways and highways/roads registering the maximum construction activity in infrastructure development. About 40% of the Union budget for infrastructure (₹10 trillion) was allocated towards these sectors. As a direct result, projects that had slowed down picked up a significant pace.

The Government is also prioritising the housing sector, especially affordable housing. Furthermore, launching various schemes, such as the National Infrastructure Pipeline (NIP), has helped infrastructure and construction. Under NIP, India has an infrastructure investment budget of US\$1.4 Tn. Of this, 18% is on roads and highways, 17% is on urban infrastructure and 12% is on railways.

The interim budget of the Indian Government for the 2024-25 fiscal has set a record for infrastructure outlay by earmarking more than ₹11 lakh crore, topping the existing high of ₹10 lakh crore allocated during fiscal 2023-24.

Hence, the industry is bound to grow, leading to a rise in demand for construction materials. This will benefit the Company.

Source:

<https://www.investindia.gov.in/sector/construction>





REAL ESTATE IN TIER 2 AND 3 CITIES

Tier 2 cities in India are becoming the hotspots for investments as the next real estate boom is projected to be there. Tier-2 cities such as Bhubaneswar, Coimbatore, Indore, Jaipur, Kochi, Lucknow, Nagpur, Surat, and Visakhapatnam are in the spotlight. A recent report by Cushman and Wakefield, in collaboration with the Confederation of Real Estate Developers' Associations of India (CREDAI), highlights these cities' advantages and development potential, positioning them as promising destinations for the real estate sector.

The Indian urbanisation rate is expected to reach 50% by 2050. Apart from tier 1 cities, tier 2 cities present a lucrative opportunity for growth and investment in the real estate

sector. Rapid urbanisation, expansion of the working class, and enhanced infrastructure are drawing the attention of homebuyers and developers. They are keen on harnessing this considerable potential. People have already started on it; according to real estate consultant JLL India, approximately 44.4% of land acquisitions between January 2022 and October 2023 occurred in tier 2 and 3 cities!

The government is also taking various initiatives, such as the "Smart Cities Mission," accelerating the growth of these cities and their real estate sectors. Hence, the real estate sector is poised for growth in tier 2 and 3 cities in India in the coming years.



INDIAN B2B MARKET FOR CONSTRUCTION MATERIALS

The building materials industry is witnessing a surge in prospects for both domestic and international producers, owing to the government's strong emphasis on housing and infrastructure and the growing ambitions of consumers. The other factors include urbanisation, rising consumer awareness, infrastructure and real estate development in the country, and technical innovations. This has made India the 7th largest manufacturing hub and the 5th largest retail distribution market for construction materials.

This industry is known for its supply chain challenges and rising materials costs. However, the demand for construction materials also rises with the construction sector's growth. Operational margins are returning to normal as the infrastructure sector is back on track and booming after years. To cut through the trouble of sourcing from vendors, negotiating and streamlining the process, many vendors and builders are moving to B2B marketplaces.

B2B marketplaces have gained significant momentum recently. Enterprise and MSME manufacturers and wholesalers are rushing towards listing their products on B2B marketplaces and capitalising on additional reach, transparency, lower operating costs and more significant profitability.

The B2B marketplaces have demonstrated their prowess in solving complex issues around procurement, payments, storage and distribution challenges for the construction industry.

With many big industry players launching their own B2B portals, the building products industry looks forward to a scalable business opportunity with a proven path to profitability.

India's construction material retail industry is a behemoth, expected to reach a staggering US\$ 119.63 billion by 2025, boasting a CAGR of 11.3% with a low 1% online presence presently.

The addressable market for B2B construction materials is at a staggering ₹6 Trillion, projected to reach ₹8 Trillion in 2027. Hence, the Company has a huge opportunity to grow and attract long-term returns for its stakeholders.

ABOUT THE COMPANY

SG Mart comprises three business models:

- First - B2B Trading of long and flat steel products, buying directly from the steel producers and then distributing it in the market.
- Second - Creation of a vast network of service centres, where upstream steel is processed and sold in semi-finished shape to various steel user industries.
- Third - B2C Distribution of products like TMT, Light Structural, Metal Sheets, Welding Rods, Mesh Net Steel etc. which are sold as branded products.

Its extensive network, with strategically positioned warehouses in Pune, Bangalore, Dujana and Raipur, ensures seamless accessibility and efficient distribution of remarkable products to its valued customers.

With timely delivery to keep its customer projects on track, expert industry knowledge and a superior product lineup, the Company brings top-notch quality and value to the infrastructure market. Overall, SG Mart aims to establish itself as the trusted and preferred platform for India's infrastructural and building material needs.



STRENGTH

Experience: The Group has long experience in the steel downstream sector. Its strong relationships with steel producers strengthen the Company's ability to source raw steel from steel mills.

Reach & Resources: The Company has a strong distribution presence for downstream steel products. Its trading capacity is 20 times more than the current largest steel trader. Moreover, the availability of funds allows it to make strategic investments for business growth.

Comprehensive Solution: SG Mart offers a one-stop solution for all construction needs, making it convenient for builders to source materials from a single platform.

Flexible Purchase Requirements: Solving the problem of minimum purchase requirements allows small builders to procure necessary materials without the burden of bulk buying.

Standardised Quality and Prices: Offering standardised quality and prices ensures reliability and trust among customers, helping to build a strong brand reputation.



WEAKNESS

Lack of awareness: Being a new player in the field, awareness of the Company's presence and operating model will need to be achieved to generate growth.

Logistics and Delivery Constraints: Ensuring timely delivery to remote or hard-to-reach areas can be challenging and may affect customer satisfaction if not managed efficiently.

OPPORTUNITIES

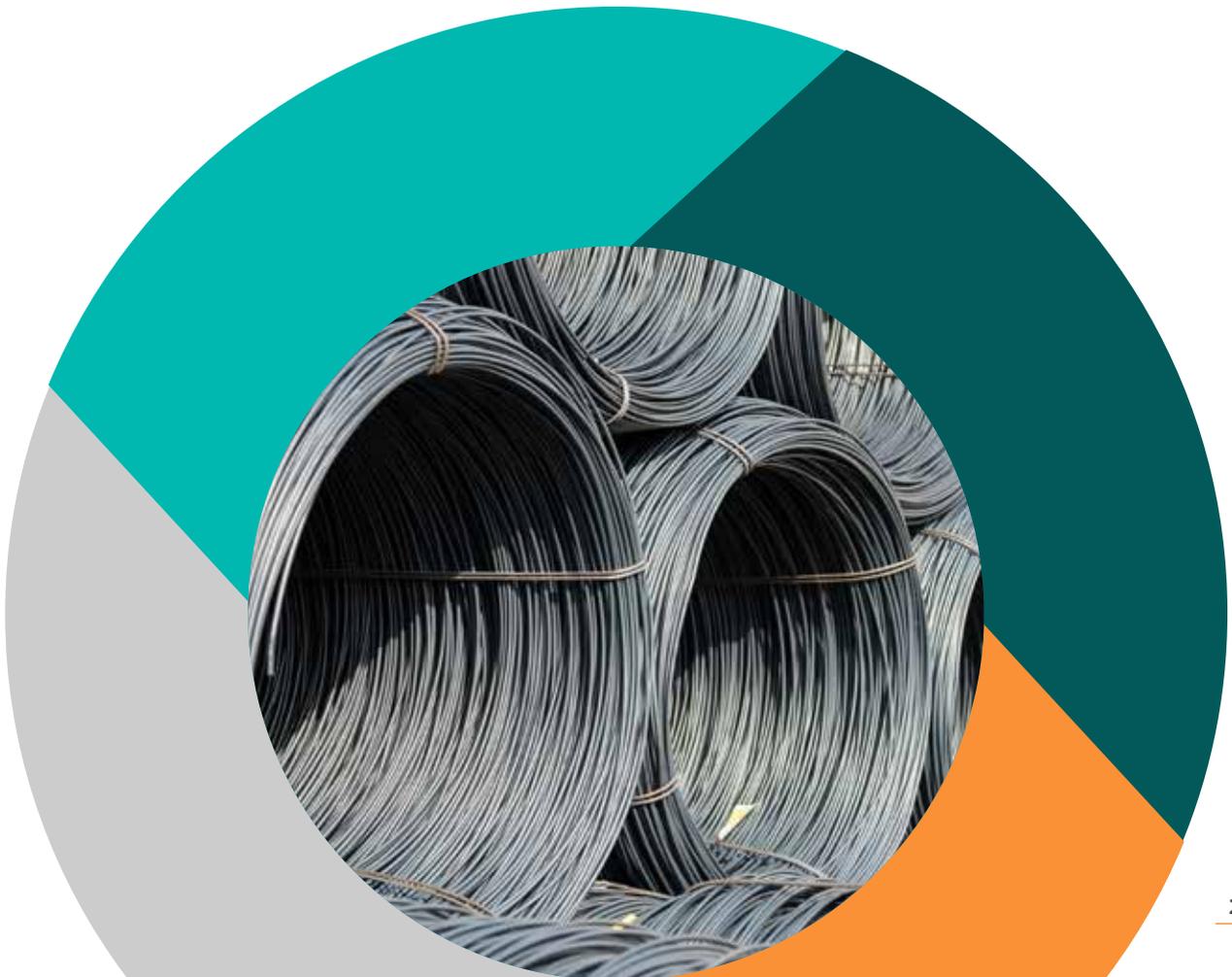
Economic resurgence: India is to have a US\$ 10 trillion economy on the back of the manufacturing sector. Therefore, India will need to become a manufacturing hub. India cannot become a manufacturing hub on the back of small traders. Therefore, India will need big trading houses. For example, there are Marubeni, JFE Shoji, and others outside of India.

Increase in steel consumption: A 50% increase in India's steel capacity by December 2025 and double by 2030. Therefore, big steel producers will need big traders to offload their supply

Government initiatives: Government programmes such as the National Infrastructure Pipeline and the Smart Cities Mission

drive the need for building materials. These programmes will stimulate expansion in the construction and allied sectors, promoting job creation and economic prosperity.

Urbanisation and Housing Growth: There is a perpetual demand for building materials due to the growing urban population and government-sponsored affordable housing initiatives. The ongoing need for building materials highlights the critical role that infrastructure development plays in addressing social demands and promoting sustainable urban expansion as urbanisation picks up speed and housing demand soars.





THREATS

Regulatory Changes: Changes in government regulations related to construction materials can impact operations and profitability.

Economic Fluctuations: Economic downturns can affect the construction industry, reducing demand for construction materials.

OPERATIONAL PERFORMANCE

In the past fiscal year, SG Mart has demonstrated robust operational performance. This reinforced their position as a leading B2B platform for construction materials. Their strategic initiatives, focused on enhancing efficiency, expanding their product offerings and leveraging technology, have yielded significant improvements across various operational metrics.

Supply Chain Disruptions: Disruptions in the supply chain, whether due to global events or local issues, can affect the availability and timely delivery of materials.

The Company's diversified product range and competitive pricing strategy have played pivotal roles in attracting a broader customer base. They have taken various measures to strengthen their platform to be ready for future demand and the onboarding of new clients and vendors.



FINANCIAL PERFORMANCE

SG Mart reported a stellar performance in FY24, with an all-around growth in business and profitability. Moreover, its financial performance has improved sequentially through every quarter during FY24.

The Company's worth stood at ₹1086.99 crore while the net debt in the books was at ₹944.36 crore – reflecting the robust health of the Balance Sheet and the potential to implement strategic growth initiatives over the coming years.

Key ratios	FY24	FY23	Change (%)	Explanation for Change in the ratio by more than 25%
Current ratio	3.47	825.05	-99.58%	Refer to notes as per below
Debtors Turnover	62.15	NA	NA	
Inventory Turnover	75.31	2	3665.70%	
Debt-Equity Ratio	NA	NA	NA	
Interest Coverage Ratio	8 Times	NA	NA	
Operating Profit Margin (%)	1.86%	17.30%	-89.20%	
Net Profit Margin (%)	2.28%	12.65%	-82.01%	
Return on Net Worth (%)	50.94%	69.09%	-26.27%	

Note:

The debt-equity ratio is not applicable as net debt is negative.

This is the Company's first year in the new business segment after taking over by the new management. Accordingly, revenue growth resulting in increased profits and higher efficiency on working capital improvement has resulted in major changes in the ratios.



INTERNAL CONTROL & ITS ADEQUACY

The Company maintains robust internal control systems tailored to its size and business nature. Well-documented policies and processes ensure effective business performance monitoring, aided by integrated IT systems supporting daily operations. An independent audit firm conducts periodic reviews, ensuring internal control adequacy, policy adherence and regulatory compliance.

The audit firm focuses on accounting and operational efficiency. Internal auditors report observations and implementation of recommendations to the audit committee, with regular review of their reports at committee meetings.

The Audit Committee evaluates the internal control system's effectiveness and provides necessary recommendations.

HUMAN RESOURCES

At SG Mart, employees are regarded as the cornerstone of success. The Company believes a motivated, skilled and engaged workforce is essential to achieving strategic goals and sustaining long-term growth. This year, SG Mart focused on enhancing its talent acquisition strategies, improving employee

retention, and fostering a continuous learning and inclusion culture. By investing in its people, the Company is enhancing their personal and professional growth and driving its overall success. SG Mart's commitment to excellence in HR practices ensures that it remains a great workplace.

RISK MANAGEMENT

RISK - THE RISE OF OTHER B2B PLATFORMS

Mitigation - Continuously monitor market trends and competitors to adapt SG Mart's strategies.

RISK - DISRUPTIONS IN THE SUPPLY CHAIN

Mitigation - The Company has developed a robust supply chain management system with multiple supplier partnerships to ensure flexibility and reliability.

RISK - DEPENDENCE ON TECHNOLOGY FOR OPERATIONS, INCLUDING POTENTIAL CYBER-ATTACKS, SYSTEM FAILURES OR TECHNOLOGICAL GLITCHES.

Mitigation - Their IT team continuously monitors and updates their systems to protect against cyber threats and ensure reliability. Regular audits, backups and a comprehensive disaster recovery plan are in place to manage technological risks.

RISK - CHALLENGES IN INVENTORY MANAGEMENT, LOGISTICS AND CUSTOMER SERVICE

Mitigation - The Company invests in advanced inventory management systems and logistics solutions to streamline operations. Continuous improvement in customer service ensures high customer satisfaction and loyalty.





CORPORATE INFORMATION

Joint Managing Director

Mr. Shivkumar Niranjanalal Bansal (DIN: 09736916)

Directors

Mrs Meenakshi Gupta (DIN: 01158825)

Shri Prakash Kumar Singh (DIN: 06398868)

Shri Arihant Chopra (DIN: 09436637)

Ms. Neeru Abrol (DIN: 01279485)

Shri Dukhabandhu Rath (DIN: 08965826)

Chief Financial Officer

Mr. Suraj Kumar

Company Secretary

Mr. Sachin Kumar

Registered Office

H No. 37, Ground Floor, Hargovind Enclave,
Vikas Marg, Delhi – 110092

Corporate Office

A-127, Sector-136, Noida, Gautam Buddha Nagar,
Uttar Pradesh, India, 201305

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited 101, Shatdal
Complex, Opp: Bata Show Room, Ashram Road,
Ahmedabad-380009

Auditors

Statutory Auditors

Walker Chandiok & Co. LLP Chartered Accountants
L-41, Connaught Circus, New Delhi - 110001

Secretarial Auditors

Parikh & Associates, Company Secretaries
111, 11th Floor, Sai-Dwar CHS Ltd, Sab TV Lane,
Opp Laxmi Industrial Estate Off Link Road,
Above Shabari Restaurant,
Andheri (W), Mumbai: 400053

Internal Auditors

Protiviti India Member Private Limited 15th Floor,
Tower A, DLF Building No. 5, DLF Phase III,
DLF Cyber City Gurugram, Haryana 122010

Bankers

HDFC Bank Limited

Axis Bank Limited

Sales Office Locations

1. S No. 312/1,11, Param Logistics, Saswad Road,
Opp Indian Oil Perto Pump, Uruli Dewachi, Pune,
Maharashtra- 412308
2. 16/A1, Sandhar Road, Ichhangur Village,
Attibele Industrial Area, Bengaluru Urban,
Karnataka, 562107

Subsidiary Sales Office Location

SG Martz FZE

FZJOB1507, Jebel Ali Freezone, Dubai,
United Arab Emirates.

BOARD'S REPORT

To the members of

SG Mart Limited,

Your Directors have pleasure in presenting the Thirty Ninth (39th) Annual Report on the business and operations of your company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2024.

1. Financial summary/state of affairs:

The Company's financial performance for the year under review along with the previous year's figures is given hereunder:

(₹ In crore)

Particulars	Consolidated		Standalone
	FY-2023-24	FY 2023-24	FY 2022-23
Revenue from Operations	2682.90	2682.90	1.56
Add : Other income	31.63	31.63	1.02
Total revenue	2714.53	2714.53	2.58
Profit before Depreciation, Finance Costs and Tax Expense	93.45	93.55	0.27
Less : Finance cost	11.63	11.63	0.00
Less : Depreciation and amortization	0.51	0.51	0.00
Profit before tax (PBT)	81.31	81.41	0.27
Less : Tax expense	20.37	20.37	0.07
Profit after tax for the year (PAT)	60.94	61.04	0.20

The Company's standalone turnover in the financial year 2023-24 stood at ₹2682.90 crores. The standalone EBIDTA stood ₹61.92 crores for the year under review. The standalone net profit of the Company stood at ₹61.04 crores during the year under review.

Further the Company incorporated wholly owned subsidiary in the fourth quarter of the FY 2023-24 and there was no comparison available on consolidation basis, hence the consolidated turnover in the financial year 2023-24 was ₹2682.90 crores. The consolidated EBIDTA was ₹61.82 crores for the year under review. The consolidated net profit of the Company was ₹60.94 crores during the year under review.

2. Dividend

Keeping in view the need to augment the resources of the Company for future, your directors do not recommend the payment of dividend for the FY 2023-24.

3. Transfer to Reserves

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review.

4. Overview

The financial year 2023-24 was a period of significant growth for India despite global economic slowdowns. The Indian economy grew by an impressive 8.2%, surpassing projections.

Key sectors like manufacturing and construction grew by 9.9%, while overall investments increased by 9%, reinforcing India's position as the fastest-growing global economy. The Purchasing Manager's Index (PMI) stood at 61.8 in March 2024, marking 32 months of continuous private sector expansion. Inflation eased to 4.85% by the end of FY24, with expectations of further reduction and potential interest rate cuts.



Credible estimates suggest India will sustain a 7% plus growth over the coming years. Despite the positive outlook, India remains cautious of volatile geopolitical conditions and fluctuating crude oil prices that could impact future growth.

4.1 Business Performance

In its first year of operations, SG Mart achieved robust financial performance, showcasing the Company's strong market presence and operational efficiency. The Company generated ₹27 billion in revenue, reflecting significant market demand and effective business strategies. Their EBITDA, excluding other income, stood at ₹619 million, translating to an EBITDA margin of 2.3%. This efficiency is further highlighted by a net profit of ₹610 million and a net margin of 2.3%.

The Company's cash profit was a healthy ₹615 million, and they closed the financial year with a net cash position of ₹9.4 billion. Additionally, they achieved a negative net working capital (WC) of 5 days as of March 31, 2024, indicating efficient management of their receivables and payables. The Company's Return on Capital Employed (ROCE) was an impressive 43%, while the Return on Equity (ROE) was 6%, despite the substantial equity infusion during the year.

The year also saw a significant expansion in their customer, vendor base and SKU's. By the end of FY24, the Company had successfully onboarded over 650 customers and 75 vendors and had 1,750+ SKUs. This reflected their growing market influence and ability to foster strong business relationships.

4.2 Possibilities and Prospects

India's infrastructure and construction sector is experiencing robust growth, presenting significant opportunities for SG Mart. The infrastructure sector is projected to grow at a CAGR of 9.57% by 2029. The government is heavily investing in infrastructure by allocating 3.3% of India's GDP to infrastructure in FY24. Transport and logistics have been given importance.

Alongside infrastructure, the construction sector is also on the rise. The Government is boosting small builders for affordable housing projects. So, along with big builders, small builders are also on the rise. With robust growth in this sector, India is set to become the 3rd largest construction market. The Indian construction market is projected to reach US\$1.4 trillion by 2025.

Hence, the construction material industry in India is projected to rise in the coming years. This presents an immense opportunity for SG Mart. Currently valued at ₹6 trillion in 2024, the market is projected to grow to ₹8 trillion by 2027.

5. Internal Financial Control

The Company has in place adequate internal financial controls as referred in Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2024 the Board is of the opinion that the Company had sound Internal Financial Controls commensurate with the size and nature of its operations and are operating effectively and no

reportable material weakness was observed in the system during the year.

Based on annual Internal Audit programme as approved by Audit Committee of the Board, regular internal audits are conducted covering all offices and key areas of the business. The findings of the internal auditors are placed before Audit Committee, which reviews and discusses the actions taken with the management. The Audit Committee also reviews the effectiveness of company's internal controls and regularly monitors implementation of audit recommendations.

There are existing internal policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

6. Annual Return

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2023-24, is available on the Company's website at <https://sgmart.co.in/investor-relations/>

7. Subsidiary Companies, Joint Ventures and Associates

The Company had one wholly-owned subsidiary as on March 31, 2024, namely SG Marts FZE (incorporated in Dubai, UAE).

A report on the performance and financial position of the subsidiary in form AOC-1 is annexed hereto as Annexure 'A' and forms part of this report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements and related information of the subsidiary, wherever applicable, will be available for inspection during regular business hours at the Company's corporate office at A-127, Sector-136, Gautam Buddha Nagar, Noida, Uttar Pradesh-201305 and the same are also available at its website i.e. www.sgmart.co.in.

The Company has no associate companies or joint venture companies.

8. Deposits

Your Company neither accepted nor renewed and/or was not having any outstanding public deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under report.

9. Listing of Shares and Listing Fees

The equity shares of the Company are listed on BSE Limited vide Scrip Code 512329. The Company confirms that it has paid the annual listing fees for the Financial Year 2023-24 to BSE Limited, Mumbai, within the prescribed timelines.

10. Auditors and Auditors' Report

10.1 Statutory Auditors

In terms of provisions of the Companies Act, 2013, M/s. Ashok Kumar Goyal & Co., Chartered Accountants, Gurugram, (Firm Registration No. 002777N), had been appointed as Statutory Auditors of the Company in the 37th Annual General Meeting held on September 29, 2022 to hold the office from the conclusion of the said Annual General Meeting until the conclusion of the 42nd Annual General Meeting to be held in year 2027.

The reports the Auditors on the standalone and consolidated financial statements for the FY 2023-24 do not contain any qualification, reservation or adverse remark requiring any explanation on the part of the Board. The observations given therein read with the relevant notes are self-explanatory.

There are no frauds reported by the Auditors under section 143(12) of the Act.

Post closure of the financial year 2023-24, M/s. Ashok Kumar Goyal & Co., Chartered Accountants (Firm Registration number: 002777N) tendered their resignation from the office of Statutory Auditors of the Company effective from April 16, 2024.

On April 16, 2024 the Company appointed M/s Walker Chandiook & Co LLP, Chartered Accountants, (Firm Registration No: 001076N/ N500013) as Statutory Auditors of the Company on April 16, 2024, to fill the casual vacancy in the office of the Statutory Auditors to hold office till the conclusion of the ensuing annual general meeting. This appointment would be subject to approval of members. The Board has also recommended their further appointment to the members to hold office from the conclusion of the ensuing 39th annual general meeting till the conclusion of the 44th Annual General Meeting to be held in the year 2029.

10.2 Cost Auditors

During the financial year 2023-24, the provisions related to maintenance of cost accounts and records under Section 148 (1) of the Companies Act, 2013 were not applicable to the Company.

10.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors had appointed M/s Kuldeep Dahiya & Associates, Company Secretaries in practice as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2023-24. The report given by them for the said financial year in the prescribed format is annexed to this report as Annexure 'B'. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

Further, the Board in its meeting held on April 16, 2024 has appointed M/s Parikh & Associates, Company Secretaries in practice as Secretarial Auditors of the Company for conducting the secretarial audit for the financial year 2024-25.

10.4 Internal Auditors

Pursuant to the provisions of Section 138 of the Act, the Board of Directors had appointed M/s Protiviti India Member Private Limited, Chartered Accountants as Internal Auditor's to carry out the Internal Audit of the Company.

11. Share Capital

As on March 31, 2024 the authorized capital of the Company stood at ₹15,00,00,000 divided into 150000000 equity shares of ₹1 each.

On April 3, 2023 the Board of Directors approved issuance of 30,00,000 equity shares of face value of ₹10/- each on preferential basis, at an issue price of ₹450 each, which was approved by the shareholders on May 5, 2023.

Upon receipt of in-principle approval dated June 26, 2023 from BSE Limited the Company on July 10, 2023 allotted 30,00,000 equity shares on preferential basis, at an issue price of ₹450/- each. Pursuant to the said allotment, the paid-up share capital of the Company increased to ₹4,00,00,000/- comprising 40,00,000 equity shares of face value ₹10/- each.

Further, on September 23, 2023 the Board of Directors approved issuance of 1,577,000 equity shares and 723,000 fully convertible warrants on preferential basis to persons belonging to "Non-Promoter" Category, at an issue price of ₹5,000 each, which was approved by the shareholders on October 24, 2023.

Upon receipt of in-principle approval dated November 20, 2023 from BSE Limited, on November 28, 2023 1,577,000 equity shares and 723,000 fully convertible warrants were allotted on preferential basis to "Non-Promoter" category, at an issue price of ₹5,000 each. Pursuant to the said allotment of equity shares, the paid-up share capital of the Company increased to ₹55,770,000 comprising 5,577,000 equity shares of face value ₹10 each.

During the financial year under review, the face value of Equity Shares of the Company was sub-divided from 1 (One) Equity Share of nominal value of ₹10/- (Rupees Ten) each fully paid-up into 10 (Ten) Equity Shares of nominal value of ₹1/- (Rupee One) each fully paid-up pursuant to the approval granted by the shareholders on February 9, 2024. Consequently, the number of shares of the Company increased to 5,57,70,000 equity shares of face value ₹1/- each.

During the financial year under review, the Company issued Bonus Equity Shares in the ratio of 1:1 i.e., 1 (One) Equity Shares for every 1 (One) Equity Shares having a face value of ₹1/- (considering the post sub-division of face value of equity shares) pursuant to the approval granted by the shareholders on February 9, 2024. As a result, the paid-up share capital of the Company increased to ₹11,15,40,000 comprising 11,15,40,000 equity shares of face value ₹1/- each.

As on March 31, 2024 there were 7,23,000 outstanding warrants which are convertible into 1,44,60,000 (in the ratio 20:1) equity shares of face value of ₹1/- each.



The Company has neither issued shares with differential voting rights nor has issued any sweat equity shares.

12. Corporate Governance

As per Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year (March 31, 2023). Therefore, the Company is not falling under aforesaid applicability criteria, prescribed in the Listing regulations and is not required to prepare and attach the report on Corporate Governance and Certificate from the Company's auditors/practicing company secretary regarding compliance of condition of Corporate Governance with this Annual Report.

As on March 31, 2024, the Board of Directors comprised 4 (Four) directors of which 1 (One) is Executive Directors and 3 (Three) are Non-executive Directors. Out of 3 (Three) Non-executive Directors, 2 (Two) are Independent Directors. Details are as given hereunder:

Name of Director	Category	No. of Board Meetings attended during FY 2023-24	Attendance in last AGM held on 9 September, 2023	No. of shares held
^Shri Shivkumar Niranjanaal Bansal (DIN: 09736916)	ED	8	Yes	-
*Mrs Khushboo Singhal (DIN: 01158825)	ED	3	No	-
>Shri Gaurank Singhal (DIN: 09081559)	NED	1	NA	-
<Mrs Meenakshi Gupta (DIN: 01158825)	NED	2	NA	-
Shri Prakash Kumar Singh (DIN: 06398868)	ID	8	Yes	-
Shri Arihant Chopra (DIN: 09436637)	ID	8	Yes	-
#Ms. Neeru Abrol (DIN: 01279485)	ID	NA	NA	-
#Shri Dukhabandhu Rath (DIN: 08965826)	ID	NA	NA	-

NED= Non-Executive Director, ID= Independent Director and ED= Executive Director

The Board of Directors, upon recommendations of Nomination and Remuneration Committee, appointed Shri Dukhabandhu Rath (DIN: 08965826) and Ms Neeru Abrol (DIN: 01279485) as Additional Independent Directors on the Board of the Company w.e.f. April 16, 2024, subject to approval of members of the Company at the general meeting/ postal ballot.

^Shri Shivkumar Niranjanaal Bansal (DIN: 09736916) was appointed as Whole-time Director, designated as Joint MD of the Company w.e.f. 3rd April, 2023 for a period of three years and the requisite resolution in this regard was passed by the Shareholders on 5th May, 2023 through Postal Ballot (through remote e-voting only).

<Mrs Meenakshi Gupta (DIN: 01158825) was appointed as Non-Executive Director of the Company w.e.f. 3rd October, 2023 and the requisite resolution in this regard was passed by the Shareholders on February 9, 2024 through Postal Ballot (through remote e-voting only).

>Shri Gaurank Singhal (DIN: 09081559) resigned from the position of Non-Executive Director of the Company w.e.f. April 3, 2023 due to his personal pre-occupations. The Board places on record its appreciation and gratitude for the contributions made by him during his tenure.

*Ms Khushboo Singhal (DIN: 09420048) was re-designated as Non-Executive Director w.e.f. April 3, 2023. She resigned from the position of Directorship w.e.f. October 3, 2023 citing personal pre-occupations and the recent changes within the Company, specifically the successful takeover activity that had led to a transition in the management. The Board places on record its appreciation and gratitude for the contributions made by her during her tenure.

13. Board of Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of Articles of Association of the Company, Shri Shivkumar Niranjanaal Bansal will retire at the ensuing Annual General Meeting (AGM) and being eligible, offer himself for reappointment.

The Company has a balanced and diverse mix of Executive and Non-Executive Directors and the composition is in conformity with requirements under the Companies Act, 2013 ("the Act") and the Listing Regulations.

During the year under review, the Board met Eight times i.e. on 3rd April 2023, 17th April 2023, 10th July 2023, 23rd September 2023, 3rd October 2023, 12th October 2023, 8th January 2024 and 10th February 2024.

During the year under review, Shri Sanjay Kumar was appointed as Chief Financial Officer (KMP), of the Company w.e.f. September 23, 2023 as Ms. Somya Gupta had resigned from the position of Chief Financial Officer (KMP), of the Company w.e.f. September 23, 2023.

Further, Shri Suraj Kumar was appointed as Chief Financial Officer (KMP), of the Company w.e.f. March 1, 2024 as Shri Sanjay Kumar had resigned from the position of Chief Financial Officer (KMP), of the Company w.e.f. February 28, 2024.

During the year under review, Shri Sachin Kumar was appointed as Company Secretary, of the Company w.e.f. April 3, 2023 consequent upon the resignation of Ms. Richa Srivastava from the position of Company Secretary, of the Company w.e.f. April 3, 2023.

Further, in pursuance of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, all Independent Directors of the Company have duly confirmed validity of their respective registration with the Indian Institute of Corporate Affairs (IICA) database.

Independent Directors of the Company are required to comply with the requirements of the "Code of Conduct for the Board members and Senior Management Personnel", "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" and the Code for Independent directors (Schedule IV of Companies Act, 2013).

The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and they fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

A formal letter of appointment to Independent Directors as provided in Act has been issued and the draft of the same is available in Investors Relations section on website of the Company viz. www.sgmart.co.in.

13.1 Familiarization Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended from time to time ("Listing Regulations"), the Company has been conducting various familiarization programmes for Independent Directors. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <https://sgmart.co.in/wp-content/uploads/2023/12/Familiarisation-Programme.pdf>.

13.2 Board Skills, Expertise or Competence

The Board of Directors possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

Names of directors having the above skills, expertise and competence:

Skill/expertise/competence	Names(s) of directors having the respective skill/ expertise/ competence
Finance	Ms. Neeru Abrol, Shri Arihant Chopra and Shri Dukhabandhu Rath
Law	Shri Arihant Chopra and Ms. Neeru Abrol
Sales & Marketing	Shri Shivkumar Niranjallal Bansal, Shri Prakash Kumar Singh and Mrs. Meenakshi Gupta
Operations	Shri Shivkumar Niranjallal Bansal and Shri Prakash Kumar Singh
Research	Shri Arihant Chopra and Shri Prakash Kumar Singh
Corporate Governance	Shri Shivkumar Niranjallal Bansal, Shri Arihant Chopra, Shri Prakash Kumar Singh, Shri Dukhabandhu Rath, Ms. Neeru Abrol and Mrs. Meenakshi Gupta
Education	Shri Dukhabandhu Rath, Ms. Neeru Abrol and Shri Arihant Chopra
Community Service	Mrs. Meenakshi Gupta and Ms. Neeru Abrol

13.3 Performance Evaluation

The Board of Directors has made formal annual evaluation of its own performance, and that of its committees and Individual Directors pursuant to the provisions of the Companies Act, 2013.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board also carried out evaluation of the performance of Individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due and reasonable care, skill and diligence, etc. Further the independent directors evaluated the performance of all non-independent directors and executive and non-executive Directors.

In accordance with the provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on January 8, 2024. Shri Prakash Kumar Singh was unanimously elected as Chairman of the meeting and all the Independent Directors were present at the said Meeting.

After such evaluation, the Board expressed its satisfaction over its own performance and that of its committees and the Directors.



14. Committees of the Board

The Company has over the years maintained the highest standards of corporate governance processes and has had the foresight to set up corporate governance practices in line with the requirements of Companies Act, 2013 and listing Regulations, as applicable.

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained hereunder. Each Committee demonstrates the highest level of governance standards and has the requisite expertise to handle issues relevant to its field. These Committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these Committees lend immense value and support, thus enhancing the quality of the decision-making process of the Board. The Board reviews the functioning of these Committees from time to time.

The recommendations of the Committees are submitted to the Board for approval. During the year, all the recommendations of the Committees were accepted by the Board.

The Company had constituted 3 (Three) main committees i.e., Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.

Further on April 16, 2024 Company had constituted two more committees i.e. Corporate Social Responsibility Committee and Risk Management Committee.

14.1 Audit Committee

The Audit Committee has been formed as per Section 177 of the Companies Act, 2013. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred to by the Board of Directors.

The Audit Committee, inter-alia, oversees the financial reporting besides reviewing the quarterly, half-yearly, annual financial results of the Company, the Company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal/external auditors and management.

Following are the key roles of the Audit Committee:

- Reviewing with the Management the financial statements and auditors' report before submission to the Board;
- Recommendation to the Board regarding appointment, remuneration and terms of appointment of auditors of the company.
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Evaluation of internal financial controls and risk management systems;
- Review with the management, the statement of uses / application of funds.
- Approval or any subsequent modification of transactions with related parties of the Company.
- changes, if any, in accounting policies and practices and reasons for the same;
- scrutiny of inter-corporate loans and investments;
- discussion with internal auditors of any significant findings and follow up there on;

During the year under review, 8 (Eight) meetings of the Audit Committee of the Board were held.

The composition of the Audit Committee as on March 31, 2024 and the meetings attended by its members are as under:

S. No	Name of Director	Status	Category	No. of meetings attended
1	Shri Prakash Kumar Singh	Chairperson	Non-Executive Independent Director	8
2	Shri Arihant Chopra	Member	Non-Executive Independent Director	8
3	Mrs Meenakshi Gupta	Member	Non-Executive Director	3

Date of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	April 3, 2023	3
2	April 17, 2023	3
3	July 10, 2023	2
4	September 23, 2023	2
5	October 12, 2023	2
6	November 13, 2023	3
7	January 8, 2024	3
8	February 10, 2024	3

The Committee Meetings were attended by the Chief Financial Officer, the Company Secretary and the representatives of Statutory Auditors.

14.2 Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee is instrumental in identifying persons qualified to become Directors or be part of senior management in accordance with the criteria laid down by the Board, to carry out evaluation of every Director's performance, to recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees and Board Diversity etc. The powers, role and terms of reference

of the Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. Pursuant to the terms of reference, the said Committee deals with matter of the appointment / reappointment of Directors and their remuneration etc. and submits its recommendations to the Board for approval.

Following are the key roles of the Nomination and Remuneration Committee:

- a. Identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.

- b. Formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors.
- c. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- d. Recommend to the Board on the appointment and the terms & conditions of appointment of Managing Director(s) and the Whole-time Director(s);
- e. devising a policy on diversity of board of directors;

During the year, 6(Six) meetings of the Nomination and Remuneration Committee were held.

The composition of the Nomination and Remuneration Committee as on March 31, 2024 and the particulars of attendance of members were as under:

S. No	Name of Director	Status	Category	No. of meetings attended
1	Shri Prakash Kumar Singh	Chairperson	Non-Executive Independent Director	8
2	Shri Arihant Chopra	Member	Non-Executive Independent Director	8
3	Mrs Meenakshi Gupta	Member	Non-Executive Director	2

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	April 3, 2023	3
2	July 10, 2023	2
3	September 23, 2023	2
4	October 3, 2023	2
5	January 8, 2024	3
6	February 10, 2024	3

Shri Sachin Kumar, Company Secretary acts as the Secretary to the Committee.

14.2.1 Nomination and Remuneration Policy

The Company has in place Nomination & Remuneration Policy. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under subsection (3) of Section 178 of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Policy also lays down broad guidelines for evaluation of performance of Board as a whole, Committees of the Board, individual Directors including the chairperson and the Independent Directors. The Policy encourages

the appointment of women at senior executive levels and thereby promoting diversity. The Policy is designed to attract, recruit, retain and motivate best available talent.

The Policy is available on the website of the Company at <https://sgmart.co.in/investor-relations/#> During the financial year, no changes were made in the Policy.

14.3 Stakeholders Relationship Committee

In compliance with the provisions of Section 178 of Act, the Company has a Stakeholders' Relationship Committee of the Board.

During the year, one meeting of the Stakeholders Relationship committee was held.

**The composition of the Stakeholders Relationship Committee as on March 31, 2024 is as under:**

S. No	Name of Director	Status	Category	No. of meetings attended
1	Shri Prakash Kumar Singh	Chairperson	Non-Executive Independent Director	1
2	Shri Arihant Chopra	Member	Non-Executive Independent Director	1
3	Mrs Meenakshi Gupta	Member	Non-Executive Director	1

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	January 8, 2024	3

Shri Sachin Kumar, Company Secretary acts as the Secretary to the Committee.

Terms of Reference- The Stakeholders Relationship Committee shall, inter alia, consider and resolve the grievance of various security holders of the Company including complaints/ requests related to transfer of shares. It shall specifically look into the redressal of stakeholders/ investors complaints in a timely and proper manner.

The role of the Stakeholder Relationship Committee is:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Nil complaint was received from the shareholders' during the year under review. As on March 31, 2024, no investor grievance was pending to be resolved.

14.4 Corporate Social Responsibility (CSR) Committee:

The Company has not implemented any Corporate Social Responsibility initiative as the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the Company and consequently, the reporting requirements thereunder do not at present apply to your Company.

However, on April 16, 2024 the Board of Directors of the Company has constituted Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014. (as amended from time to time).

The role and responsibilities of the CSR Committee includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be

undertaken by the company as specified in Schedule VII of the Companies Act 2013;

- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- To monitor this Policy from time to time.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

14.5 Risk Management

The Company has approved Risk Management Policy and constituted a Risk Management Committee on April 16, 2024 as required under SEBI Listing Regulations. The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The role of Risk Management Committee includes:

- To formulate a detailed risk management policy
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

This Policy is available on the website of the Company and the weblink for the same is <https://sgmart.co.in/investor-relations/>.

During the financial year 2023-24, attendance of Directors/ Members of the Committees in Board/Committee meetings includes participation through Video Conferencing or Other Audio Visual Means. The Company Secretary acts as the Secretary of all the Committees of the Board

15. Remuneration to the Directors

Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them. However, the sitting fees are subject to ceiling/limits as provided under the Act and rules made thereunder or any other enactment for the time being in force. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2023-24 was ₹0.04 Crore. The details of the remuneration of Directors during the financial year 2023-24 are given below:

S. No.	Particulars of Remuneration	Name of Directors		Total Amount (₹ crore)
1	Independent Directors	Shri Prakash Kumar Singh	Shri Arihant Chopra	
	• Fee for attending Board/ Committee Meetings	0.03	0.01	0.04
	• Commission/ Others	-	-	-
	Total (1)	0.03	0.01	0.04
2	Other Non – Executive Directors	Shri Gaurank Singhal	Ms Khushboo Singhal	Mrs. Meenakshi Gupta
	• Fee for attending Board /Committee Meetings	-	-	-
	• Commission/ Others	-	-	-
	Total (2)	-	-	-

Apart from the sitting fees and reimbursement of expenses, there were no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

Executive Director:

The terms of remuneration of Joint Managing Director/Executive Director/Whole-time Director is approved by the Shareholders of the Company. The details of remuneration paid to the WTD/ED/Joint Managing Director in the financial year 2023-24 are as under:

(₹ in crores)

S. No.	Particulars of Remuneration	Shri Shivkumar Niranjnal Bansal	Ms. Khushboo Singhal	Total
1.	Gross salary	1.20	-	1.20
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	-	-	-
	(b)Value of perquisites u/s17(2) Income -tax Act,1961	-	-	-
	(c)Profits in lieu of salary under section 17(3)Income- tax Act, 1961	-	-	-
2.	Commission	-	-	-
3.	Stock Option	-	-	-
4.	Others, please specify	-	-	-
	Total	1.20	-	1.20

Service contracts, notice period, severance fee

The Executive Director(s) are generally appointed for a period of five/three years. There is no severance fee or notice period for the Executive Director(s).

The contracts with the Executive Directors may be terminated by either party giving the other party requisite notice or the Company paying requisite salary in lieu thereof as mutually agreed.



15.1 Particulars of Remuneration

Disclosure of ratio of the remuneration of the Executive Directors to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as Annexure 'C'. Further, particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules form part of this report. However, in terms of provisions of section 136 of the said Act, the report and accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is available for inspection at the corporate office of the Company during working days of the Company up to the date of the ensuing annual general meeting.

16. Annual General Meetings

The details of last three Annual General Meetings are as under:

Financial Year	Venue	Date and Time	Special Resolution Passed
2022-23	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2023 1:00 P.M.	1. Approval for change of name of the Company and consequential amendment to Memorandum and Articles of Association of the Company 2. Approval of Kintech Renewables Limited Employees Stock Option Scheme - 2023 ("Scheme")
2021-22	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 29, 2022 11:00 A.M	No special resolution was there in the Notice
2020-21	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 28, 2021 11:00 A.M	No special resolution was there in the Notice

17. Disclosures

a) Related Party Disclosure:

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business, on arm's length pricing basis and not material in nature.

Besides this, the Company had no material significant transaction with the related parties viz. promoters, directors of the Company, their relatives, subsidiary of the Company, person or entity belonging to the promoter/promoter group etc. that may have a potential conflict with the interest of the Company at large

The Company has also formulated a policy on dealing with Materiality of Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is <https://sgmart.co.in/investor-relations/>.

Suitable disclosure as required by the Indian Accounting Standard (IND-AS) 24 has been made in the Note no. 34 to the Financial Statements.

b) Management discussion and analysis report

Management discussion and analysis report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Annual Report.

c) Business responsibility and sustainability report

Business Responsibility and sustainability Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Annual Report.

d) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

In addition to the compliance with mandatory requirements, the Company has also adopted and complied with the following non-mandatory requirements in terms of the SEBI Listing Regulations:

- The Company's financial statements are with unmodified audit opinion. A declaration to this effect, duly signed by the Chief Financial Officer has also been furnished. There are no audit qualifications for the financial year 2023-24
- The internal auditors submit their report directly to the Audit Committee of the Board.

e) Detail of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matters related to Capital Markets:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to Capital Markets during the last three years.

f) Prevention of Sexual Harassment of Women at Workplace:

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the provisions of the said Act and an Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment. During the period under review, Company did not receive any complaint relating to sexual harassment.

Particular	Remark
Number of Complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

g) Vigil Mechanism / Whistle Blower policy:

In compliance with provisions of Section 177 (9) of the Companies Act, 2013 the Company has framed a Vigil Mechanism / Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Chairman of the Audit Committee.

This Policy is available on the website of the Company and the weblink for the same is <https://sgmart.co.in/investor-relations/>

h) Subsidiary Companies:

The financial statements, in particular, the investments made by the unlisted subsidiary company are reviewed by the Audit Committee of the Company.

i) Disclosures with respect to demat suspense account/ unclaimed suspense account

There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2023-24.

j) Disclosure on loans and advances:

The Company has not provided any loans and advances in the nature of loans to firms/ companies in which the directors are interested during the financial year 2023-24, except as disclosed in the financial statement.

18. Means of communication:

i. Publication of quarterly/half yearly/nine monthly/annual results:

Quarterly/ half yearly/ nine monthly and annual financial results are normally published in Financial express and Jansatta etc. and are promptly furnished to the Stock Exchange. The results are also displayed on the web-site of the Company www.sgmart.co.in.

The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to BSE

Limited (BSE) are filed electronically. The Company has complied with filing submissions through BSE Listing Centre.

A separate dedicated section under “Investors Relations”, on the Company’s website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

ii. Press release:

To provide information to investors, quarterly production figures and other press releases are sent to the stock exchanges as well as are displayed on the Company’s website i.e. <https://sgmart.co.in/investor-relations/disclosures-regulation-30/> before it is release to the media.

iii. Presentations to analysts:

Four presentations were made to analysts/investors during the financial year 2023-24. The same are available on the Company’s website i.e. <https://sgmart.co.in/investor-relations/disclosures-regulation-30/>. The presentations broadly covered operational and financial performance of the Company and industry outlook.

19. General Shareholders’ Information:

19.1 Share transfer system

The Company has a Board-level Stakeholders’ Relationship Committee to redress investors’ complaints and the status on complaints and share transfers is regularly reported to the Board.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

Demat/Remat and related operations for SG Mart Limited are also handled by M/s MCS Share Transfer Agent Limited.

19.2 Unclaimed Dividends:

Pursuant to provisions of Section 125 of the Companies Act, 2013 the dividends which have remained unpaid / unclaimed for a period of seven years from the date of transfer the unpaid dividend amount is mandatorily required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.



The status of remaining unclaimed dividend is given hereunder:

Financial year	Dividend Per Share (₹)	Unclaimed Dividend amount as on March 31, 2024	Date of Declaration	Due date for transfer to IEPF
2016-2017 (Final Dividend)	1.00	13,780	September 20, 2017	October 27, 2024
2017-2018 (Final Dividend)	1.00	11,230	September 18, 2018	October 25, 2025
2018-2019 (Final Dividend)	1.00	3,350	September 24, 2019	October 31, 2026
2019-2020 (Interim Dividend)	1.00	3,850	March 2, 2020	April 8, 2027
2020-2021 (Final Dividend)	1.00	3,729	September 28, 2021	November 4, 2028

Name, designation and address of Compliance Officer and Nodal officer:

Mr. Sachin Kumar

Company Secretary

SG Mart Limited

Registered Office: H No. 37, Ground Floor, Hargovind Enclave, Vikas Marg, East Delhi, Delhi-110092

Corporate Office:- A-127, Sector-136, Gautam Buddha Nagar, Noida, Uttar Pradesh-201305

Telephone: 9205556113

Email: compliance@sgmart.co.in

19.3 Dematerialization of shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2024 99.97% of the Company's total Equity Shares representing 11,15,10,000 shares were held in dematerialized form and 30,000 shares representing 0.03% of paid-up share capital were held in physical form.

19.4 Outstanding ADRs/ GDRs

There were no outstanding GDRs/ ADRs, as on March 31, 2024.

19.5 Warrants and other convertible instruments:

723000 warrants convertible into 1,44,60,000 equity shares of face value ₹1/- each were outstanding for conversion as on March 31, 2024.

19.6 Investors Correspondence can be made on Registered Office of the Company as given under:

SG Mart Limited
 CIN: L46102DL1985PLC426661
 37, Hargobind Enclave, Vikas Marg, Delhi – 110092.
 Phone: 011- 22373437
 Mail: compliance@sgmart.co.in

19.7 Registrar and Share Transfer Agent:

M/s. MCS Share Transfer Agent Limited
 101, Shatdal Complex, Opp: Bata Show Room, Ashram Road, Ahmedabad-380009
 Phone: (079)26580461 / 62 / 63, Fax: 011-2721 5530
 Mail: mcsstaahmd@gmail.com

19.8 Stock Exchange:

BSE Limited
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra - 400 001
 Phone: +91 22 2272 1233, Fax: +91 22 2272 1919
 Website: www.bseindia.com

19.9 Depositories:

National Securities Depository Limited Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai, Maharashtra - 400 013 Phone: +91 22 2499 4200; Fax: +91 22 2497 6351 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai, Maharashtra - 400 001 Phone: +91 22 2272 3333; Toll free: 1800-200-5533 Fax: +91 22 2272 3199 E-mail: helpdesk@cdslindia.com Website: www.cdslindia.com
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19.10 Financial Year

The Company's current financial year comprises of 12 months period from April 1 to March 31.

20. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and senior management personnel which is available on the website of the Company i.e. www.sgmart.co.in.

21. Code for prevention of insider trading:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted (i) the code of practices and procedures for fair disclosure of unpublished price sensitive information and (ii) the code of conduct to regulate, monitor and report trading by insiders, in terms of the said Regulations.

22. Disclosure in accordance with Regulation 30A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

No such agreements as specified under clause 5A to para A of part A of schedule II, are required to be disclosed in accordance with Regulation 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the FY 2023-2024.

23. Discretionary Disclosures:

The status of compliance with non-mandatory recommendations of the Listing Regulations is as follows:

1. Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
2. Audit Qualifications: The Company's financial statements for the year 2023-24 do not contain any audit qualification.
3. Reporting of Internal Auditor: The Internal Auditors of the Company directly report to Chairperson of the Audit Committee.

24. Directors' Responsibility Statement

Pursuant to provisions of Section 134 sub-section 3(c) and sub-section 5 of the Companies Act, 2013, your Directors to the best of their knowledge hereby state and confirm that:

- a. In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2024 and of the Company's profit for the year ended on that date.

- c. Proper and sufficient care has been taken for the 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 financial statements have been prepared on a going concern basis.
- e. The internal financial controls are laid down to be followed that and such internal financial controls are adequate and are operating effectively.
- f. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

25. Employee Stock Option Scheme

During FY2023-24, Company launched "Kintech Renewables Limited Employee Stock Option Scheme, 2023" (ESOP-2023) with the approval of the members. Listing approval for the issue of shares under the scheme was also obtained from BSE Limited.

The scheme is in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

The Certificate from the Secretarial Auditors of the Company certifying that the ESOP-2023 is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the Members, would be placed at the Annual General Meeting for inspection by Members.

During the Financial Year 2023-24 the Company did not grant any Stock Options under the Scheme. However subsequent to the close of the financial year, 300500 options were granted on April 16, 2024 by the Nomination and Remuneration Committee.

A statement giving complete details under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024 is available on the website of the Company at www.sgmart.co.in. There is no material change in the said scheme during the year.

26. Particulars of Loans, Guarantees or Investments Under Section 186

In terms of Section 186 of the Companies Act, 2013 and rules framed thereunder, details of Loans, Guarantees given and Investments made have been disclosed in the Notes to the financial statements for the year ended March 31, 2024.

27. Energy conservation, technology absorption and foreign exchange earnings and outgo:

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, is furnished as Annexure 'D', forming part of this Report.



28. Compliance with Secretarial Standards on Board and Annual General Meetings

During the period under review, the Company has duly complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

29. Green Initiative

Your Company has taken the initiative of going green and minimizing the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic format to all those Members whose email address is available with Company. Your Company would encourage other Members also to register themselves for receiving Annual Report in the electronic Report form.

30. Other Disclosures and Reporting

1. **Change in the nature of business of the Company**-The Company has altered its Object Clause of the Memorandum of Association and add clause 3 and 4 related to the business of trading of Building Material Products etc. and now the Company is fully engaged in the said activity.
2. **Issue of equity shares with differential rights as to dividend, voting or otherwise**-During the Financial Year under review, the Company has not issued shares with differential voting rights as to dividend, voting or otherwise.
3. **Any remuneration or commission received by Joint Managing Director of the Company, from any of its subsidiary**-There is no disclosure required as to receipt of remuneration or commission by the Managing Director(s) / Whole Time Director(s) from a subsidiary of the Company.
4. **Issue of shares (including sweat equity shares) to employees of the Company under any scheme**-None
5. **Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and company's operations in future**-There have been no any other significant and material orders passed by Regulators or Courts or Tribunals impacting the going concern status and the future operations of the Company.
6. **Material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report**-None
7. **The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year**-There were no application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor the Company has done any one time settlement with any Bank or Financial institutions.
8. **The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof**-Not Applicable
9. **Change in Registered office of the Company**: The registered office of the Company was changed from the state of Gujarat to NCT of Delhi, upon receipt of the approval from the office of Regional Director (North-Western Region), Ministry of Corporate Affairs, Ahmedabad vide its letter RD/(NWR)Section13/91/2023/SRN AA4503043/3663 dated December 20, 2023.
10. **Change in Name of the Company**-The Board of Directors in its meeting held on July 10, 2023, proposed change in name of the Company to "SG Mart Limited", which was subject to the approval of the Registrar of Companies, BSE Limited and the shareholders of the Company.

Company received the approval letter from ROC for change in name of the Company from Kintech Renewables Limited to SG Mart Limited on October 6, 2023 and the name was subsequently also approved by BSE Limited.
11. **Change in management and control of Company**- The Board of Directors in their meeting held on April 3, 2023 had approved preferential issue of 22,50,000 equity shares to Mr. Dhruv Gupta.

Mrs. Meenakshi Gupta had entered into a Share Purchase Agreement ('SPA') dated April 03, 2023 with the existing member of promoter and promoter group of the Company, to acquire 7,50,000 Fully Paid-up Equity Shares.

The preferential issue and SPA triggered the requirement to make an open offer under Regulation 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Upon completion of open offer on September 26, 2023, the SPA got executed and thereafter Mrs. Meenakshi Gupta and Mr. Dhruv Gupta was reclassified as the Promoters of the Company.

31. Appreciation

Yours Directors take this opportunity to express their appreciation for the co-operation received from the customers, vendors, bankers, stock exchanges, depositories, auditors, legal advisors, consultants, stakeholders, business associates, Government of India, State Governments, Regulators and local bodies during the period under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by the employees of the Company.

For and on behalf of Board of Directors

Sd/-

Shivkumar Niranjani Bansal

Whole-Time Director

DIN: 09736916

Place: Delhi

Date: April 16, 2024

Form No. AOC-1

(Pursuant to sub-section (3) of section 129 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014

Part "A": Subsidiary
REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY:

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Section 129(3) of Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014

(₹in crore)

S. No.	Name of Subsidiary	SG Marts FZE
1	Reporting Currency	AED
2	Exchange Rate	22.71
3	Share Capital	0.11
4	Other Equity	-0.11
5	Total Assets	46.57
6	Total Liabilities	46.57
7	Investments	-
8	Turnover	0.00
9	Profit Before Taxation	-0.11
10	Provision of Taxation	-
11	Profit After Taxation	-0.11
12	Proposed Dividend	-
13	% of Shareholding	100

Note:

1. Name of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable, since the Company does not have any associates and Joint Ventures.

For and on behalf of the Board of Directors of

SG MART LIMITED

 Sd/-
Shivkumar Niranjana Bansal
 Whole-Time Director
 DIN: 09736916

 Sd/-
Meenakshi Gupta
 Director
 DIN: 01158825

 Sd/-
Suraj Kumar
 Chief Financial Officer

 Sd/-
Sachin Kumar
 Company Secretary
 ICSI Membership No. : A61525

 Place: Delhi
 Date: April 16, 2024



ANNEXURE 'B'

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,

SG Mart Limited (Formerly Known as "Kintech Renewables Limited")

Unit No. 705, GDITL Tower, Plot No. B-8,

Netaji Subhash Place, Pitampura,

Shakupur I Block, Delhi - 110034

I, Kuldeep Dahiya, Proprietor of Kuldeep Dahiya & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the SG Mart Limited (Formerly Known as "Kintech Renewables Limited") (CIN: L46102DL1985PLC426661) (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 my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 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.

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

- (i) The Companies Act, 2013 ("the Act") and the rules made there under (as amended from time to time)
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under (as amended from time to time)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (as amended from time to time)
- (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 (as amended from time to time)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time)
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time)
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time)
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) - Not applicable to the Company during audit period
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended from time to time)

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time) - Not applicable to the Company during audit period
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time) - Not applicable to the Company during audit period
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time)
- (vi) 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 have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India.
- (ii) Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Director. The changes in the composition of Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notices were given to Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance to Directors 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.

All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the Board of Directors or Committee of the Board, as the case may be.

I further report that:

- (i) During the year under review, following changes took in respect to the composition of Board of Directors of the Company and Key Managerial Personnel of the Company: -

Details of appointment/cessation of KMP's/Board of Directors during the financial year

S.No.	Name of the Director	DIN/ PAN	Designation	Appointment/Regularization	Date of Appointment/Cessation
1.	Mr. Gaurank Singhal	09081559	Director	Cessation	April 03, 2023
2.	Ms. Khushboo Singhal	09420048	Director	Cessation	October 03, 2023
3.	Mr. Shivkumar Niranjanaal Bansal	09736916	Additional Director and Whole Time Director	Appointment	April 03, 2023 (Obtained shareholder approval on May 05, 2023)
4.	Ms. Meenakshi Gupta	01158825	Director	Appointment	October 03, 2023
5.	Ms. Richa Srivastava	FPBPS3812H	Company Secretary	Cessation	April 03, 2023
6.	Mr. Sachin Kumar	EPEPS3999F	Company Secretary	Appointment	April 03, 2023
7.	Ms. Somya Gupta	BAIPA9791F	Chief Financial Officer	Cessation	September 23, 2023
8.	Mr. Sanjay Kumar	AGUPG5651P	Chief Financial Officer	Appointment	September 23, 2023
9.	Mr. Sanjay Kumar	AGUPG5651P	Chief Financial Officer	Cessation	February 28, 2024
10.	Mr. Suraj Kumar	AUIPK1835H	Chief Financial Officer	Appointment	March 01, 2024



(ii) During the year under review, the Company has obtained the shareholders' approval via Postal Ballots in respect of the following matters:

Shareholders' approval Date	Matters Considered
May 05, 2023	<ul style="list-style-type: none"> i. To approve the appointment of Mr. Shivkumar Niranjn Lal Bansal (DIN: 09736916) as a whole-time director of the company ii. To exercise the Borrowings Powers under section 180(1)(c) of The Companies Act, 2013 upto ₹1000 Crore iii. To seek approval under section 180(1)(a) of The Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the company upto 1000 Crore iv. Alteration in the Memorandum of Association of the Company with respect to Object Clause v. Preferential issue of Upto 30,00,000 Equity Shares
October 24, 2023	<ul style="list-style-type: none"> i. Increase in authorised share capital and consequent alteration of the capital clause in the memorandum of association of the Company ii. Preferential allotment of upto 15, 77, 000 Equity Shares to the persons belonging to non – promoter category iii. Preferential allotment of upto 7,23,000 fully convertible warrants to the persons belonging to non-promoter category
February 09, 2024	<ul style="list-style-type: none"> i. Sub – division of face value of equity shares of the Company from ₹10/- (Rupees Ten Only) each to ₹1/- (Rupees One) each** ii. Alteration of capital clause of memorandum of association of the Company iii. Issue of bonus shares to the Security Holders of the Company iv. Appointment of Ms. Meenakshi Gupta (DIN: 01158825) as a Non-Executive Director of the Company

** The Company has filed Form SH-7 for in respect of the sub-division on 17th February, 2024 and the same was rejected by the Ministry of Corporate Affairs. However, the Fresh Form SH-7 in respect of the said matter is pending for filing as on the date of the signing of this report.

(iii) During the year under review, following changes took in respect to the increase in authorised share capital and issued, allotted and subscribed capital of the Company: -

S. No.	Particulars	Brief Description	Date of Meeting/Postal Ballot
1.	Increase in Authorised Share Capital	60,00,000 (Sixty Lakhs) Equity Shares of ₹10/- each to ₹15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of ₹10/- each.	May 05, 2023 (Postal Ballot)
2.	Preferential Issue	Issue and allot upto 30, 00,000 Equity Shares of face value of ₹10 each at an issue price of ₹450/- each aggregating upto ₹1,35,00,00,000	May 05, 2023 (Postal Ballot)
4.	Preferential Issue	Preferential allotment of upto 15, 77, 000 Equity Shares	October 24, 2023 (Postal Ballot)
6.	Preferential Issue	Preferential allotment of upto 7,23,000 fully convertible warrants	October 24, 2023 (Postal Ballot)
7.	Bonus Issue	Allotted 55,770,000 equity shares as bonus shares	February 23, 2024***

*** However, Form PAS-3 in respect of bonus issue of Equity Shares is pending for filing as on the date of the signing of this report due to fresh filing of Form SH-7 as explained above.

(iv) With respect to the Non-compliance with Minimum Public Shareholding requirements under Regulation 38 of SEBI (LODR), 2015 as stated in Secretarial Audit Report for the year 2022-23, the Company has complied with the requirement of the said Regulation in the month of March 2023.

(v) During the period under review, name of the Company is changed from "Kintech Renewables Limited" to "SG Mart Limited" with effect from 06th October, 2023.

(vi) During the period under review, the registered office of the Company is changed from one state to another i.e. from "Kintech House, 8, Shivalik Plaza, Opp. AMA, IIM Road, Ahmedabad, GJ-380015" to "Unit No. 705, GDITL Tower, Plot No. B-8, Netaji Subhash Place, Pitampura, Shakupur I Block, Delhi – 110034" with effect from 12th February, 2024.

(vii) During the period under review, the Company has obtained members approval for Kintech Renewables Limited Employee Stock Option Scheme, 2023 in the Annual General Meeting held on September 30, 2023.

(viii) The Board of Directors in their meeting held on 03rd April, 2023 had approved preferential issue of 22,50,000 equity shares to Mr. Dhruv Gupta and Mrs. Meenakshi Gupta had entered into a Share Purchase Agreement dated 03rd April, 2023 with the existing member of promoter and promoter group of the Company, to acquire 7,50,000 Fully Paid-up Equity Shares.

The Preferential issue and share purchase agreement triggered the open offer requirement which has duly been completed on 26th September, 2023. On completion of the same Mrs. Meenakshi Gupta and Mr. Dhruv Gupta has been re-classified as Promoter.

(ix) During the year, the Company has incorporated a Wholly Owned Subsidiary in Jebel Ali Free Zone, Dubai in the name of "SG Mart FZE".

This Report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this Report.

For **Kuldeep Dahiya & Associates**

Company Secretaries

Kuldeep Dahiya

Proprietor

ACS No.: 34404

C P No.:18930

UDIN: A034404F000086830

PR: 2581/2022

PR Unique Code: S2017HR515900

Place: Sonipat

Date: 11th April, 2024



Annexure 1

To,

The Members,

SG Mart Limited (Formerly Known as "Kintech Renewables Limited")

Unit No. 705, GDITL Tower, Plot No. B-8,

Netaji Subhash Place, Pitampura,

Shakupur I Block, Delhi - 110034

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit Report 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.

Place: Sonipat

Date: 11th April, 2024

For **Kuldeep Dahiya & Associates**

Company Secretaries

Kuldeep Dahiya

Proprietor

ACS No.: 34404

C P No.:18930

UDIN: A034404F000086830

PR: 2581/2022

PR Unique Code: S2017HR515900

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

- (1) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24: The ratio of the remuneration of Shri Shivakumar Niranjnallal Bansal, Whole-Time Director (Joint MD) to the median remuneration of the employees of the Company is 20:1. Sitting Fees paid to the Directors has not been considered as remuneration.
- (2) The percentage increase in remuneration of each director, chief financial officer, company secretary during the financial year 2023-24: Shri Shivakumar Niranjnallal Bansal, Joint MD; Ms Kushboo Singhal, Managing Director; Ms. Somya Gupta, Chief Financial Officer; Shri Sanjay Kumar, Chief Financial Officer; Shri Suraj Kumar, Chief Financial Officer; Ms Richa Shrivastava, Company Secretary; and Shri Sachin Kumar, Company Secretary, there was no increment in the FY-2023-24, due to change of management and control of the Company.
- (3) The percentage increase in the median remuneration of employees for the financial year 2023-24 is Nil.
- (4) The number of permanent employees on the rolls of the company as on March 31, 2024 is 81.
- (5) The average increase in the managerial remuneration and the average increase in the salary of employees other than managerial personnel for the FY 2023-24 are not applicable, as there was no increment in the FY-2023-24, due to change of management and control of the Company. Managerial Personnel includes Executive Director, Chief Financial Officer and Company Secretary.
- (6) We affirm that the remuneration paid in the financial year 2023-24 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

For and on behalf of Board of Directors

Sd/-

Shivkumar Niranjnallal Bansal

Whole-Time Director

DIN: 09736916

Place: Delhi

Date: April 16, 2024



Annexure 'D'

DISCLOSURE PURSUANT TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 (CHAPTER IX) FOR CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

I. INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The operations of our Company are not energy-intensive. The Company has, however, used information technology extensively in its operations and continuously invests in energy-efficient office equipment at all office locations.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	FY 2023-24 (₹ in crores)
Foreign exchange earnings	0.30
Foreign exchange outgo	449.60

For and on behalf of Board of Directors

Sd/-

Shivkumar Niranjnjal Bansal

Whole-Time Director

DIN: 09736916

Place: Delhi

Date: April 16, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING 2024

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identification Number (CIN) of the Listed Entity: L46102DL1985PLC426661
2. Name of the Listed Entity: SG Mart Limited
3. Year of incorporation: 1985
4. Registered office address: H No. 37, Ground Floor, Hargovind Enclave, Vikas Marg, East Delhi, Delhi, India, 110092
5. Corporate address: A-127, Sector-136, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201305
6. E-mail: compliance@sgmart.co.in
7. Telephone: 011-44457164
8. Website: www.sgmart.co.in
9. Financial year for which reporting is being done: 2023-24
10. Name of the Stock Exchange(s) where shares are listed: BSE Limited
11. Paid-up Capital ₹11.15 crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:
 Name: Sachin Kumar, Company Secretary
 Email: sachinkumar@sgmart.co.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): Disclosures under this report are made on a standalone basis for SG Mart Limited.
14. Name of assurance provider: Not Applicable
15. Type of assurance obtained: Not Applicable

II. Product Services

16. Details of business activities (accounting for 90% of the turnover):-

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	B2B Sales	B2B trading of construction materials.	~ 98%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):-

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	HR coils/HR Sheets	46620	64%
2	Light Structurals	46620	28%
3	Others	46620	8%



III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices*	Total
National	Nil	10	10
International	Nil	Nil	Nil

*No. of offices includes retail outlets/warehouses with GST registration

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL:- The Company does not export any goods/services.

c. A brief on types of customers

SG Mart's customer base spans top tier EPC companies, real estate developers, OEMs, traders, dealers, manufacturers and retailers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	81	79	98%	2	2%
2.	Other than permanent (E)	0	0	0	0	0
3.	Total employees (D+E)	81	79	98%	2	2%
Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	16	16	100%	0	0
6.	Total workers (F+G)	16	16	100%	0	0

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than permanent (E)	0	0	0	0	0
3.	Total Differently abled employees (D+E)	0	0	0	0	0
Differently abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total Differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	No. (A)	No. (B)	% (B/A)
Board of Directors	4	1	25%
Key Management Personnel	3	0	0%

22. Turnover rate for permanent employees and workers -

Category	FY 2024			FY 2023			FY 2022		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	11.70%	2.12%	13.82%	0%	0%	0%	0%	0%	0%
Permanent workers	0%	-	0%	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including Joint ventures)
23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SG Marts FZE	Subsidiary	100	No/Not Applicable

VI. CSR details
24.
i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes*.

	As of March 31, 2024
ii. Turnover (in ₹ crore)	2682.90
iii. Net worth (in ₹ crore)	1087.09

* CSR is applicable from FY 2024-25

VII. Transparency and Disclosures Compliances
25. Complaints/Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	SG Mart has a Whistle blower policy in place which lays down the procedure in accordance with which all the grievances are addressed. Link to our policy: https://sgmart.co.in/	0	0	0	0	0	0
Investors (other than shareholders)		0	0	0	0	0	0
Shareholders		0	0	0	0	0	0
Employees and workers		0	0	0	0	0	0
Customers		0	0	0	0	0	0
Value Chain Partners		0	0	0	0	0	0
Other (please specify)		0	0	0	0	0	0



26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Employee well-being	Opportunity	Employee well-being is critical to the Business operations and overall responsibility of the Company to manage well-being aspects of its critical stakeholder	-	Positive
2.	Talent Management	Opportunity and Risk	<p>Talent attraction: With the infrastructure development being a major focus for the government, the construction materials sector attracts talent due to high-growth opportunities and competitive wages. However, at times there are challenges in hiring industry appropriate senior leadership positions.</p> <p>Local Community Development: The construction materials industry also offers local communities good entry-level jobs at competitive wages which allows community members to acquire skills and an opportunity to advance to higher wages and better careers, especially in smaller towns.</p> <p>Learning and Development (L&D): Our strong emphasis on L&D leads to enhanced career opportunities and helps us build employee loyalty.</p> <p>Employee Voice and Engagement: Our corporate culture emphasises all employees to raise any concerns/ feedback directly with the Management. An independent Ethics Helpline is also available.</p>	<p>The Company has adopted a better salary, perquisites structures and better working environment, so that company can appoint appropriate senior leadership personnel that help the organization to grow at next level.</p> <p>The Company has a policy for maintaining confidentiality of personnel raising their voice against actionable insights that helps the organization in better decision-making based on employee feedback.</p>	Positive
3.	Customer Experience	Opportunity	Optimal Product Assortment: We sell a wide range of goods across our product categories. We have an extensive network of suppliers and we endeavour to source our products from regions where they are widely available or manufactured. We also consciously focus on local assortment in each area.	-	Positive

Section B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1. a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b.	Has the policy been approved by the board?	Yes*	Yes**	No	No	Yes*	No	No	Yes**	Yes***
c.	Web Link of the Policies, if available	https://sgmart.co.in/investor-relations/								
2.	Whether the entity has translated the policy into procedures (Yes/No)	No	No	No	No	No	No	No	No	No
3.	Do the enlisted policies extend to your value chain partner (Yes/No)	No	No	No	No	No	No	No	No	No
4.	Name of the National and international codes/certifications/labels/ standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	None								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	In the beginning of the financial year specific goals, commitments and target placed before the Board of Directors. The Risk Management Team focusing on various parameters to monitor the performance to achieve its targets. The following activities are undertaken to meet the commitments: 1. Setting up of an efficient supply chain; 2. Insurance coverage to minimize potential losses; 3. Separate teams have been formed across the organization to focus on likely risks and mitigation plan; 4. Hiring of talent personnel in the organization and retention of the same.								
6.	Performance of the entity against the specific commitments' goals and targets along with reasons in case the same are not met.	Performance of each of the principles is reviewed periodically by Risk Management Team.								
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): The Company is committed to conducting beneficial, fair business practices to all stakeholders including the community at large. We provide employees and business associates with working conditions that are clean, safe, healthy and fair. We are committed to transparently sharing our progress, challenges, and successes as we strive to create lasting value for our stakeholders while leaving a positive impact on society and the environment.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policies. At the highest level, the Board of Directors of your Company is responsible for implementation and oversight of the Business Responsibility policy.									
9.	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details:- The Company has Risk Management team for monitoring the progress of Risk Management on a quarterly basis. Mr. Suraj Kumar, Chief Financial Officer of the Company has been appointed as Chief Risk Officer to monitor the various programs and conduct monthly meeting and measure the progress.									

* Code of Conduct

**Company's Vision & Mission

***Company's Quality Policy



10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/Any Other Committee									Frequency (Annually/ Half yearly/ quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, the review is conducted by the Committee of the Board									On a need basis								
Compliance with Statutory requirements of relevance to the principles and rectification of any non-compliances	Yes, the review is conducted by the Committee of the Board									On a need basis								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/ no). If yes, provide name of the agency.	No, the Company has various policies in place, which are reviewed from time to time by the Board, its Committees and Senior Management. Further, the above policies and processes may be subject to regulatory compliances and changes, as applicable.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable.								
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of the persons in the respective category covered by the awareness programmes
Board of Directors	4	(As a part of Board Meeting) Familiarization Programme at regular intervals, in each Board Meeting. Updates related to regulatory changes, topic covered includes: 1) SEBI Regulations 2) Companies Act 3) Corporate Governance At each meeting of the Board/ Audit Committee, members also deliberate on key integrity matters that helps to reflect and focus on key strategies and financials and members also discuss various sustainable initiatives of the Company.	100%
Key Managerial Personnel	2	1) Code of Conduct 2) Whistleblower Policy 3) Prevention of Sexual Harassment at the Workplace	100%
Employees other than Board of Directors and KMPs	2	1) Code of Conduct 2) Whistleblower Policy 3) Prevention of Sexual Harassment at the Workplace	100%
Workers	2	Prevention of Sexual Harassment at the Workplace	100%

Note: All the principles laid down in this Report are covered in the Company's Code of Conduct, which is mandatorily adhered to by all employees of the Company.

2. **Details of fines/penalties/ punishment/ award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in the financial year:**

(The Company shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015).

For details related to fines/ penalties/punishment/ award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, refer Directors Report.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non – Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. **Of the instancing disclosed in question 2 above, details of Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed**

Case details	Name of the regulatory/enforcement agencies/judicial institutions
	Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy if yes, provide details in brief and if available please provide a web link to the policy**

Yes, the Company does have the Code of Conduct where anti-corruption or anti-bribery is covered. The Company has also adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. The Whistleblower Policy as adopted by the Company is available on the Company's website at <https://sgmart.co.in/investor-relations/>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

Segment	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors		
KMPs	Nil	Nil
Employees		
Workers		

6. **Details of Complaints with regard to conflict of interest**

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of conflict of Interest of the KMPs				



7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest**

Not Applicable

8. **Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 24	FY23
Number of days of accounts payables	27	-

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 24 (Current Financial Year)	FY 23 (Previous Financial Year)
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	0	0
	b) Number of trading houses where purchases are made from	0	0
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a) Sales to dealers / distributors as % of total sales	91.5%	0
	b) Number of dealers / distributors to whom sales are made	650+	0
	c) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	36.93%	0
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	0	0
	b) Sales (Sales to related parties / Total Sales)	0	0
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	0
	d) Investments (Investments in related parties / Total Investments made)	0	0

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any principles during the financial year:**

Total number of awareness programmes held	Topic / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

In the Company's Code of Conduct and general terms and conditions, the Company has emphasized on all integrity aspects, which are applicable to all suppliers.

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding.

Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

	Current financial year (2023-24)	Previous financial year (2023-24)	Details of improvements in environmental and social impacts
R & D		Nil	
Capex			

2. **A. Does the Company have procedures in place for sustainable sourcing?**

Yes, SG Mart intent to source products and services that are environment friendly, recycled, energy efficient and locally sourced, to the extent possible.

B. If yes, what percentage of inputs were sourced sustainably?

60% of SG Mart's suppliers adhere to SA8000 and ISO 45001 standards.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

In SG Mart, we minimize plastic usage and embracing recycling practices, we strive to create a greener and more sustainable future for generations to come.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the Company's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**

Not Applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the format**

Not Applicable

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable					

2. **If there are any significant social or environmental concerns and /or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)**

Indicate input material	Recycled or re-used input material to total material		Action Taken
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	
Nil			

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed**

	FY 2024			FY 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA



5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	79	79	100%	-	-	NA	-	-	-	NA	-
Female	2	2	100%	-	-	NA	NA	-	-	No Cases	-
Total	81	81	100%	-	-	-	-	-	-	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% Of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than permanent workers											
Male	16	16	100%	-	-	-	-	-	-	-	-
Female	0	0	0	-	-	-	-	-	-	-	-
Total	16	16	100%	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 24	FY23
Cost incurred on well-being measures as a % of total revenue of the company	0.0024%	0

2. **Details of retirement benefits for Current FY and Previous financial year**

Your Company makes contributions to Provident Fund (PF), Employee State Insurance (ESI), National Pension System (NPS) etc. for eligible employees.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1 PF	100%	N.A.	Y	-	N.A.	N.A.
2 Gratuity	100% as per the gratuity	N.A.	N.A.	-	N.A.	N.A.
3 ESI	100% as per ESI limit	N.A.	Y	-	N.A.	N.A.
4 Superannuation	100%	N.A.	Y	-	N.A.	N.A.
5 Others	-	-	-	-	-	-

3. **Accessibility of workplaces- Are the premises/offices of the entity accessible to differently-abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

All our facilities and premises are properly equipped with the necessary amenities to make them accessible for differently abled persons.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The company actively promotes diversity and equal opportunity in all aspects of its business operations, ensuring that employees and workers are not discriminated against based on factors such as caste, gender, religion, or cultural background during recruitment and throughout their employment.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Female	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note: During FY24 none of our employees and workers claimed parental leave.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker (Permanent Workers/Employees)? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	At SG Mart, we prioritize the creation of a safe and inclusive workplace for our employees. To ensure transparency and address any concerns, we have implemented a robust vigil mechanism. Our Anti-Sexual Harassment Policy is actively enforced to handle and resolve any grievances in this regard. Additionally, we have a Whistleblower policy in place, outlining the procedure for employees and workers to raise complaints, including the contact details of the Vigilance Officer. We are committed to fostering a culture of respect and providing a confidential platform for employees to voice their concerns, thereby maintaining a harassment-free workplace.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Employees are encouraged to share their concerns with their reporting managers and the HR department. Employees can raise their concerns to POSH Committee Members, the Whistleblower channel, and Grievance Redressal channel.



7. Membership of employees and worker in association(s) or unions recognized by the listed entity:

Category	FY 2024			FY 2023		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / Workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male						
Female						
Total Permanent Workers						
Male						
Female						

Not Applicable

8. Details of training given to employees and workers

Category	FY 2024					FY 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	79	-	-	79	100%	-	-	-	-	-
Female	2	-	-	2	100%	3	-	-	3	100%
Total	81	-	-	81	100%	3	-	-	3	100%
Workers										
Male	16	16	100%	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	16	16	100%	-	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker

Throughout the year, the managers and employees regularly review and discuss performance and development for all employees. For your Company, skill up gradation of employees remains one of the key focus areas.

Category	FY 2024			FY 2023		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	79	79	100%	-	-	-
Female	2	2	100%	3	3	100%
Total	81	81	100%	3	3	100%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system

Yes, the Company provide safe and healthy working conditions for the prevention of incidents and work-related illness. Your Company devotes adequate energy and attention to protect employees, contractors and any other people involved with the company along the value chain, including suppliers and customers.

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the Company?

Not Applicable

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/ No)**
 Yes, any kind of incidents are recorded. Process and procedures have been established and complied with.

d. **Do the employees/worker of the Company have access to non-occupational medical and healthcare services?**
 Yes, the employees/workers of your Company have access to non-occupational medical and healthcare services. They are insured under the Group Health Insurance Policy.

11. **Details of safety related incidents, in the following format:**

Safety Incident / Number	Category	FY 2023-2024	FY 2022-2023
		Current financial year	Previous financial year
Lost Time Injury Frequency Rate (LTIFR) (per one million -person hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees	Nil	Nil
	Workers		
No. of fatalities	Employees	Nil	Nil
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers		

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace**

The Company is committed to monitoring the safety and providing a healthy environment for all the employees. The Management of the Company reviews and monitors the policies and activities of the company to ensure that the Company is in compliance with appropriate laws and legislation.

13. **Number of Complaints on the following made by employees and workers**

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. **Assessments for the year: 2023-2024**

% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	
Working Conditions	Nil

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

SG Mart Limited does not have any safety-related incidents or significant risks/concerns related to health and safety practices and working conditions that require corrective action. Our commitment to maintaining a safe and healthy work environment remains committed, and we continue to uphold the standards to prevent incidents and address any concerns promptly.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

Employees: Yes

Workers: No

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

The Company is compliant to statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time.



3. Provide the number of employees / workers having suffered high consequence work- related injury / ill health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

Your Company is committed to continuously raise awareness to comply with applicable laws and regulations related to labour and employment, including gender diversity, human rights, child labour, wages, working hours, bribery & corruption.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the Company provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners on health and safety practices and working conditions

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	53.12%
Working Conditions	53.12%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Some associate partners were not having adequate working conditions for their employees. They have been advised to conform to statutory standards.

PRINCIPLE 4: Businesses should respect the interests of and be responsive of all its stakeholders

Essential Indicators

1. Describe the process for identifying key stakeholder groups:

The stakeholders that could be identified are employees, shareholders and investors, customers, key partners, regulators, lenders, vendors. Key stakeholders are identified in consultation with the Company's Management.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	Stock exchange intimation, media release, annual report, website of the Company & BSE Limited and general meetings	Quarterly/ Annually/As or when required	1. Transparent and effective communication of business performance 2. Addressing investor queries and concerns 3. Sound corporate governance mechanisms 4. Providing insights into the Company's corporate strategy and business environment
Employees	No	Employee engagement initiatives, continuous interaction with management, appraisals, grievance redressal mechanism	Regularly (weekly/ monthly)	1. Personal development and growth 2. Health and safety 3. Grievance resolution 4. Competitive remuneration

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/ Partners	No	Regular meetings with key suppliers by senior management, supplier visits, suppliers' meet, supplier tour of manufacturing facilities	Quarterly/Half yearly	1. Interactive engagement 2. Inclusion of local and MSME vendors
Customers/ Dealer	No	Regional meets, visits to dealers, need-based visits, Customer meets, Customer visits by the marketing team and senior management	Regularly	1. Grievance redressal 2. Product quality 3. Post-sales support

Leadership Indicators

- Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated how is feedback from such consultations provided to the Board**

The Board of Directors, through the Risk Management Team monitors and provides strategic direction to the Company's social responsibility obligations and other societal and sustainability practices.

Key stakeholders are identified through an exercise undertaken in consultation with the Company's management. The prioritized list includes everyone from customers, employees, shareholders, investors, vendors, government and regulatory bodies, communities and NGOs etc. The Consultation medium between stakeholders, Company Management, and Board takes place through various channels.

- Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No) If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

No

- Provide details of instances of engagement with and actions taken to address the concerns of vulnerable / marginalized stakeholder groups.**

We are committed to being transparent with all our stakeholders. Through a formal mechanism we address each grievance/complaint. Due care is taken to maintain complete confidentiality of all grievances/ complaints received.

PRINCIPLE 5 Businesses should respect and promote Human Rights

Essential Indicators

- Employees and workers who have been provide training on human rights issues and policy (ies) of the entity**

Category	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	81	81	100%	3	3	100%
Other than permanent	-	-	-	-	-	-
Total employees	81	81	100%	3	3	100%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	16	16	100%	-	-	-
Total workers	16	16	100%	-	-	-



2. Details of minimum wages paid to employees and workers

Category	FY 2024				FY 2023					
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	79	-	-	79	100%	-	-	-	-	-
Female	2	-	-	2	100%	3	-	-	2	66.67%
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent										
Male	16	16	100%	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	₹ 1,25,00,000	-	-
Key Managerial Personnel (Other than BoD)	2	₹ 27,75,000	-	-
Employees other than BoD and KMP	76	₹ 6,79,002	2	₹ 7,39,999
Workers	-	-	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format

	FY24	FY23
Gross wages paid to females as % of total wages	0% (No females are employed in factories)	0% (No females are employed in factories)

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

No.

5. Describe the internal mechanisms in place to redress grievances related to human rights issue.

The Company is committed to maintain a safe and harmonious business environment and workplace for everyone and believes that every workplace shall be free from harassment and / or any other unsafe or disruptive conditions. Accordingly, the Company has in place POSH committee for redressal of such related issues.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/ Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human rights related issues	NIL	NIL	NA	NIL	NIL	NA

7. **Complaints filed under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY24	FY23
Total complaints reported under Sexual Harassment on Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	Not Applicable	Not Applicable

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Policies are made and awareness have been given to employees on the same. The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. The Company encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Whistle Blower Committee and Prevention of Sexual Harassment Committee has been constituted to enquire into any such complaints to recommend appropriate action, wherever required.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights are a fundamental component of the company's business agreements and contracts. The company is dedicated to safeguarding and promoting the human rights of its workforce, communities, and all individuals directly or indirectly impacted by its business activities.

10. **Assessments for the year**

Section	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	
Forced Labour/ Involuntary Labour	
Sexual Harassment	Not Applicable
Discrimination at workplace	
Wages	
Other-please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not Applicable

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

SG Mart upholds the principle of Human Rights in all its business activities. In FY24, there have been no significant complaints or grievances related to human rights issues.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

The Company has strict measures in place to ensure Human Rights are not violated in its operations however, the company is gearing up to conduct a thorough Human Rights due diligence in the following financial years.



3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, all the premises and facilities of the Company are equipped with necessary amenities to ensure accessibility for differently abled visitors.

4. **Details on assessment of value chain partners:**

Section	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	
Forced Labour/ Involuntary Labour	53.12%
Sexual Harassment	We have carried out independent assessment of our suppliers and dealers, and according to our assessment 53.12% of our value chain partners are compliant. Further we are working to increase the aforesaid percentage to higher number in future.
Discrimination at workplace	
Wages	
Other-please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in MWh) and energy intensity, in the following format:**

Parameter	FY24	FY23
From renewable sources	Not Applicable	
Total electricity consumption (A)		
Total fuel consumption (B)		
Energy consumption through other sources (c)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)		
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		
Total energy consumed (A+B+C+D+E+F)		
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical Output		
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-Not Applicable

Note: The Company does not have any manufacturing units during the financial year 2023-24, the electricity consumption is calculated on basis of electricity consumption in office premises of the Company at different locations.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY24	FY23
Water withdrawal by source (in kiloliters)	Not Applicable	
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal		
Total volume of water consumption (In kiloliters)		
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)		
Water intensity in terms of physical output		
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: The Company does not have any manufacturing units during the financial year 2023-24, Since Company is having only trading business, the disclosures related to water is not applicable to the company.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

4. Provide the following details related to water discharge:

Parameter	FY24	FY23
Water discharge by destination and level of treatment (in kiloliters)	Not Applicable	
(i) To Surface water		
- No treatment		
- With treatment – please specify level of Treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of Treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of Treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of Treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of Treatment		
Total water discharged (in kiloliters)		

Note: The Company does not have any manufacturing units during the financial year 2023-24, Since Company is having only trading business, the disclosures related to water discharge is not applicable to the company.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable



6. Provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 2023-24 Current Financial year	FY 2022-23 Previous financial year
NOx	-	-	-
Sox	-	-	-
Particulate Matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others-please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Please specify units	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		-	-
Total Scope 1 and Scope 2 emission intensity per rupee turnover adjusted for Purchasing Power Parity (PPP) (Total scope 1 and scope 2 GHG emissions / revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY24	FY23
Total Waste generated (in metric tonnes)	Not Applicable	
Plastic waste (A)		
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		
Waste intensity in terms of physical output		

Parameter	FY24	FY23
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Not Applicable	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Not Applicable	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not Applicable

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format.

S.No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken if any
Not Applicable			

12. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
SG Mart has been compliant to all environmental regulations and guidelines in India. Hence, this question is not applicable to the company.				

LEADERSHIP INDICATORS

1. Water withdrawal consumption and discharge in the areas of water stress (in KL):
 For each facility/plant located in areas of water stress, provide the following information:
- (i) Name of the area: Not Applicable
 - (ii) Nature of operations: Not Applicable
 - (iii) Water withdrawal consumption and discharge in the following format:



Parameter	FY 2023 - 2024 Current financial year	FY 2022 - 2023 Previous financial year
Water withdrawal by source (in KL)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater /desalinated water		
(v) Others (rain water)		
Total volume of water withdrawal (in KL) Total volume of water consumption (in KL)		
Water intensity (optional)-the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in KL)		
(i) Into Surface water No treatment With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) Into Groundwater No treatment With treatment – please specify level of treatment		
(iii) Into Seawater No treatment With treatment – please specify level of treatment		
(iv) Sent to third parties No treatment With treatment – please specify level of treatment		
(v) Others (To municipal sewerage) No treatment With treatment & complying with discharge Quality & Quantity limit based on Consent to Operate		
Total water discharged (in KL)		

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-2024 Current financial year	FY2022-2023 Previous financial year
Total Scope 3 emissions (Break-up of the GHG into CO2 , CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 3 emissions per Rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

3. With respect to the ecologically sensitive areas reported at Question 10 of essential Indicators above, provide details of significant direct and indirect impact of the entity on bio-diversity in such areas along with prevention and remediation activities:

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emission/ effluent discharge/ waste generated please provide details of the same as well as outcome of such initiatives as per the following format:

S. No	Initiative undertaken	Details of the initiatives (Web-link, if any, may be provided along with summary)	Outcome of the initiative
		Not Applicable	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Our Risk Management Team is pivotal in defining our risk management strategies related to disaster management and business continuity. The Business Continuity Plan has been prepared to assist the organization to manage a serious disruptive crisis in a controlled and structured manner. It contains information on emergency contact details, strategies to mitigate impact, procedures to be implemented and communication processes to be followed in response to a serious disruptive event.

6. Disclosure any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not available

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

Not available

PRINCIPLE 7: Businesses, when engaging in influencing public a regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: Nil
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of /affiliated to as provide below:

S. No	Name of the trade and Industry chambers/ associations	Reach of trade and industry chambers / associations (State/ National)
Not Applicable		

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable, since the Company has not received any issues related to anti-competitive conduct.

Name of Authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually Half yearly/ Quarterly/ Others please specify)	Web Link, if available
Nil					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
The Company shall make CSR contributions in FY 2024-25 to the projects or programs of Healthcare and Education and other areas in accordance with the applicable provisions.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has in place Stakeholder's Relationship and Sexual Harassment Committee for grievances. However, the employees and workers can approach to the Human Resource Department for any grievances. The Company has contact details and email on its website for enquiry related to Company's service and sales query.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-2024	FY 2022-2023
Directly sourced from MSMEs/ small producers	12.50%	0
Sourced directly from within the district and neighboring Districts	70.52%	100%



5. Job creation in smaller towns- disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis in the following locations, as % of total wage cost:

Location	FY24	FY23
Rural	-	-
Semi-Urban	-	-
Urban	-	-
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

S.No.	State	Aspirational District	Amount spent (In ₹)
Not Applicable			

The Company is committed towards the development of society and will extend its support to the projects in the areas of promoting education, healthcare infrastructure, supporting primary education, environment sustainability, rehabilitating abandoned women and children.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from supplies comprising marginalized / vulnerable groups? (Yes/No):
 No
- (b) From which marginalized /vulnerable groups do you procure?
 Not Applicable
- (c) What percentage of total procurement (by value) does it constitute?
 Not Applicable
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional Knowledge	Owned/ Acquired (Yes / No)	Benefits Shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of key CSR Projects: Please refer Corporate Social Responsibility Annual Report.

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
In order to address any customer query, issues and complaints, the Company has separate email id and contact number.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

- Number of consumer complaints in respect of the following

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Not Applicable	0	0	Not Applicable
Advertising	0	0	Not Applicable	0	0	Not Applicable
Cyber-security	0	0	Not Applicable	0	0	Not Applicable
Delivery of essential services	0	0	Not Applicable	0	0	Not Applicable
Restrictive trade practices	0	0	Not Applicable	0	0	Not Applicable
Unfair trade practices	0	0	Not Applicable	0	0	Not Applicable
Others	0	0	Not Applicable	0	0	Not Applicable

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

- Does the entity have a framework /policy on cyber security and risks related to data privacy? (Yes/No) If available provide a web-link of the policy:

SG Mart is making substantial efforts to strengthen its information security measures by aligning its practices with international standards.

- Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services cyber security and data privacy of customers re-occurrence of instances of product recalls penalty action taken by regulatory authorities on safety of products/services:-

No issue were reported as on March 31, 2024.

- Provide the following information relating to data breaches:

- Number of instances of data breaches: No breaches reported in FY24.
- Percentage of data breaches involving personally identifiable information of customers: Not Applicable
- Impact, if any, of the data breaches: Not Applicable

Leadership Indicators

- Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):

Information relating to all products of the Company are available on the website at <https://sgmart.co.in/>

An agency has been appointed for monitoring the website, coordinating digital marketing, which includes SEO and related efforts.

- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

The Company conducts meetings to educate its customers on responsible usage of our products.

- Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Not Applicable

- Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

We follow the laws and regulations pertaining to the display of product information on the product. Furthermore, we take customer feedback seriously and make every effort to implement it into our business processes.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SG MART LIMITED (Formerly known as Kintech Renewables Limited)

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of SG MART LIMITED (Formerly known as Kintech Renewables Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, and the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards 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, of the state of affairs of the Company as at 31st March, 2024 and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial

statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

The Board of Directors are 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.

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 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.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of changes in equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;



- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term derivative contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay and in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has neither declared nor paid any dividend during the year
- h) Based on our examination which included test checks, the company has used an 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 software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
3. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Ashok Kumar Goyal & Co.**
Chartered Accountants
(Firm Registration – 002777N)

(CA. Amit bansal)
Partner, F.C.A
Membership No. 506269

Place: New Delhi
Date: 16th April, 2024
UDIN: 24506269BKADGO5402

“Annexure A” to the Independent Auditors’ Report

The Annexure as referred in paragraph (1) ‘Report on Other Legal and Regulatory Requirements of our Independent Auditors’ Report to the members of SG MART LIMITED (Formerly known as Kintech Renewables Limited) the standalone financial statements for the year ended 31st March 2024, we report that:

- i. (a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any Intangible Assets.
- (b) According to the information and explanations given to us, the Company has a phased program of physical verification of its Property, Plant and Equipment which in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets).
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) On the basis of the information and explanations given to us, inventory have been physically verified at reasonable intervals during the year, the coverage and procedure of such verification by the management is reasonable and appropriate in relation to the size and nature of its business and the discrepancies noticed between the physical stock as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate,

from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. However, the Company has not filed quarterly returns or statements for the quarter ended March 31, 2024 with the banks upto the date of signing of audit report i.e. 16th April, 2024 and accordingly, we are unable to comment on such reconciliations as required by clause 3(ii) (b).iii. (a) The Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investment in one company and granted unsecured loans to two companies during the year. The aggregate amount of loans granted during the year, and balance outstanding at the balance sheet date with respect to such loans are as per table given below:

(₹ in crore)	
Particulars	Loans
A. Aggregate amount provided during the year:	
- Subsidiaries	46.56
- Enterprise in which Key Management personnel (KMP) and their relatives are interested	0.49
B. Balance outstanding as at balance sheet date in respect of the above cases :	
- Subsidiaries	46.56
- Enterprise in which Key Management personnel (KMP) and their relatives are interested	0.49

(Also refer note 34 to the financial statement)

- (b) The investments made and the terms and conditions of the grant of all the above mentioned loans during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the loans are not yet due for repayment of principal.
- (d) In respect of loans granted by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) There were no loan which fell due during the year and were renewed/extended. Further no fresh loans were



- granted to same parties to settle the existing overdue loans.
- (f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence Clause 3(vi) of the order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, Goods and Service Tax (GST), Cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2024.
- (b) According to the records and information and explanations given to us, there are no material dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax, Goods and Service Tax (GST), Cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, no term loans has been availed during the year.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company
- x. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under clause 3x(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our audit procedures, the Company has complied with the provision of Section 62 of the Act in connection with the funds raised through preferential allotment and the same have been utilized for the purposes for which they were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor we have been informed of any such case by the Management. Accordingly, reporting under clause 3(xi) (b) of the Order is not applicable to the Company.
- (c) According to information and explanation given to us, no whistle-blower complaints has been received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and relevant details of such transactions have been disclosed in the Financial Statements, etc., as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- xv. According to the information and explanations 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 him during the year. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and based on our examination of the record of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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. As per the information and explanation given to us, the requirement to section 135 of the Companies Act, 2013 is not applicable due to non-fulfilment of criteria, the said clause(xx) of the order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Ashok Kumar Goyal & Co.**
Chartered Accountants
(Firm Registration – 002777N)

(CA. Amit Bansal)
Partner, F.C.A
Membership No. 506269

Place: New Delhi
Dated: 16th April, 2024
UDIN: 24506269BKADGO5402



“Annexure B” to the Independent Auditor’s Report

of even date on the Standalone Financial Statements of SG Mart Limited (Formerly known as Kintech Renewables Limited).

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls with reference to financial statements of **SG MART LIMITED (Formerly known as Kintech Renewables Limited)** (“the Company”) as of March 31, 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial statements

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 **Ashok Kumar Goyal & Co.**
Chartered Accountants
(Firm Registration – 002777N)

Place: New Delhi
Dated: 16th April, 2024
UDIN: 24506269BKADGO5402

(CA. Amit Bansal)
Partner, F.C.A
Membership No. 506269

Standalone Balance Sheet

as at March 31, 2024

(₹ in crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2(a)	38.68	0.00
(b) Capital work-in-progress	2(b)	17.06	-
(c) Right of use assets	2(c)	0.38	-
(d) Other intangible assets		-	0.00
(e) Investments in subsidiary	3	0.11	-
(f) Financial assets			
(i) Loans	4	46.56	-
(ii) Other financial assets	5	0.04	0.05
Total non-current assets		102.83	0.05
(2) Current assets			
(a) Inventories	6	71.25	-
(b) Financial assets			
(i) Trade receivables	7	86.34	-
(ii) Cash and cash equivalents	8	122.02	11.78
(iii) Bank balances other than (ii) above	9	1,003.43	0.00
(iv) Loans	10	0.49	-
(v) Other financial assets	11	26.25	0.27
(c) Current tax assets (net)	12	-	0.02
(d) Other current assets	13	74.44	0.06
Total current assets		1,384.22	12.13
Total Assets		1,487.05	12.18
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14(a)	11.15	1.00
(b) Other equity	14(b)	1,075.94	11.17
Total equity		1,087.09	12.17
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	2(c)	0.24	-
(b) Provisions	15	0.24	-
(c) Deferred tax liabilities (net)	16	0.13	0.00
Total non-current liabilities		0.61	0.00
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	181.89	-
(ii) Lease liabilities	2(c)	0.16	-
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	18	1.92	-
- total outstanding dues of creditors other than micro and small enterprises	18	191.64	-
(iv) Other financial liabilities	19	7.26	0.01
(b) Other current liabilities	20	10.70	0.00
(c) Provisions	21	0.01	-
(d) Current tax liabilities (net)	22	5.77	-
Total current liabilities		399.35	0.01
Total Equity and Liabilities		1,487.05	12.18

See accompanying notes to the financial statements

1-41

In terms of our report attached

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjana Bansal
 Whole Time Director
 DIN : 09736916

Suraj Kumar
 Chief financial officer

Meenakshi Gupta
 Director
 DIN : 01158825

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



Statement of Standalone Profit And Loss

for the year ended March 31, 2024

(₹ in crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I Revenue from operations	23	2,682.90	1.56
II Other income	24	31.63	1.02
III Total income (I +II)		2,714.53	2.58
IV Expenses			
(a) Purchase of stock-in-trade		2,680.07	-
(b) Changes in inventories of stock-in-trade	25	(71.25)	1.56
(c) Employee benefits expense	26	5.02	0.10
(d) Finance costs	27	11.63	-
(e) Depreciation and amortisation expense	28	0.51	0.00
(f) Other expenses	29	7.14	0.65
Total expenses		2,633.12	2.31
V Profit before tax (III - IV)		81.41	0.27
VI Tax expense:			
(a) Current tax		20.25	0.13
(b) Deferred tax charge/(credit)	16	0.13	(0.06)
(c) Adjustment of tax relating to earlier years		(0.01)	-
Total tax expense	30	20.37	0.07
VII Profit for the year (V-VI)		61.04	0.20
VIII Other comprehensive income for the year			
Add : (less) items that will not be reclassified to profit or loss			
(a) Remeasurement of post employment benefit obligation		-	-
(b) Income tax relating to above item		-	-
Total other comprehensive income		-	-
IX Total comprehensive income for the year (VII+VIII)		61.04	0.20
X Earnings per equity share of ₹1 each:			
(a) Basic (in ₹)	31	8.21	0.10
(b) Diluted (in ₹)	31	8.01	0.10
See accompanying notes to the financial statements	1-41		

In terms of our report attached

For **Ashok Kumar Goyal & Co**
Chartered Accountants
Firm's Registration No. 002777N

Amit Bansal
Partner
Membership No. 506269
UDIN : 24506269BKADGO5402

Place: New Delhi
Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjn Lal Bansal
Whole Time Director
DIN : 09736916

Meenakshi Gupta
Director
DIN : 01158825

Suraj Kumar
Chief financial officer

Sachin Kumar
Company Secretary
ICSI M.No. : A61525

Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in crore)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2022	1.00
Changes during the year ended March 31, 2023	-
Balance as at March 31, 2023	1.00
Changes during the year March 31, 2024	10.15
Balance as at March 31, 2024	11.15

B. Other equity

Particulars	Money received against Share Warrants	Reserves and surplus			Total
		Securities premium	General Reserve	Retained Earnings	
Balance as at April 1, 2022	-	-	0.20	10.77	10.97
Profit for the year ended March 31, 2023	-	-	-	0.20	0.20
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	0.20	0.20
Allocations/Appropriations :					
Dividend paid	-	-	-	-	-
Balance as at March 31, 2023	-	-	0.20	10.97	11.17
Profit for the year ended March 31, 2024	-	-	-	61.04	61.04
Issue of Equity share and securities premium thereon	-	918.93	-	-	918.93
Subscription amount towards share warrants	90.38	-	-	-	90.38
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-
Total comprehensive income for the year	90.38	918.93	-	61.04	1,070.35
Allocations/Appropriations :					
Issue of bonus shares (see note 14(a)(iv))	-	-	-	(5.58)	(5.58)
Balance as at March 31, 2024	90.38	918.93	0.20	66.43	1,075.94

In terms of our report attached

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjana Bansal
 Whole Time Director
 DIN : 09736916

Meenakshi Gupta
 Director
 DIN : 01158825

Suraj Kumar
 Chief financial officer

Sachin Kumar
 Company Secretary
 ICSI M.No.: A61525



Standalone Cash Flow Statement

for the year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	81.41	0.27
Adjustments for:		
Depreciation and amortisation expense	0.51	0.00
Gain on sale of property, plant and equipment (net)	(0.01)	-
Profit on derivatives measured at fair value through profit & loss account	(0.58)	-
Finance costs	11.63	-
Interest income on fixed deposits	(27.99)	(0.35)
Interest income on others	(0.31)	-
Gain from investment in mutual funds	-	(0.09)
Profit on sale of shares	-	(0.08)
Dividend income	-	(0.00)
Profit on sale of future & options	-	(0.50)
Net unrealised foreign exchange gain	(1.54)	-
FVTPL (Gain on fair value of current investment)	-	0.23
Operating profit before working capital changes	63.12	(0.52)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(71.25)	1.56
Trade receivables	(86.34)	-
Other current financial assets	2.00	5.12
Other current assets	(74.36)	(0.03)
Other non-current assets	-	(0.04)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	195.10	-
Other current liabilities	10.70	(1.56)
Provisions (current & non-current)	0.24	-
Other financial liabilities	7.25	0.00
Cash generated from operations	46.46	4.53
Income tax paid	(14.48)	(0.14)
Net cash flow from activities (A)	31.98	4.39

Standalone Cash Flow Statement

for the year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment (including capital advances)	(59.11)	-
Proceeds from sale of property, plant and equipment	0.06	-
Profit on trading in future & options	-	0.50
Dividend income	-	0.00
Investment in fixed deposits (net)	(1,003.43)	-
Loan to subsidiary	(46.56)	-
Loan to related party	(0.49)	-
Investments in subsidiary	(0.11)	-
Redemption of mutual funds/ shares	-	5.15
Interest received :		
-Fixed deposit	3.90	0.08
-Others	0.00	-
Net cash (used in)/from investing activities (B)	(1,105.74)	5.73
C. Cash flow from financing activities		
Proceeds from issue of share capital and share warrants	1,013.88	-
Payment on account of lease liabilities	(0.17)	-
Finance costs	(11.60)	-
Proceeds from current borrowings	181.89	-
Net cash from financing activities (C)	1,184.00	-
Net increase in cash and cash equivalents (A+B+C)	110.24	10.11
Cash and cash equivalents at the beginning of the year	11.78	1.67
Cash and cash equivalents at the end of the year	122.02	11.78
See accompanying notes to the financial statements	1-41	

In terms of our report attached

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjnjal Bansal
 Whole Time Director
 DIN : 09736916

Suraj Kumar
 Chief financial officer

Meenakshi Gupta
 Director
 DIN : 01158825

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



Notes to the financial statements

for the year March 31, 2024

1(i) Company background

SG Mart Limited (Formerly known as Kintech Renewables Limited) ('the Company') is a public company located in India, having its registered office situated at Unit No. 705, GDITL Tower, Plot No. B-8, Netaji Subhash Place, Pitampura, Shakur Pur I Block, North West, Delhi, India, 110034. The Company was originally incorporated on 9th April 1985 and its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the business of trading of building material products.

1(ii) Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to the financial year presented in these financial statements.

(a) Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013, the relevant provision of the Companies Act 2013 ("the Act") and other accounting principles generally accepted in India.

(b) Basis of Preparation

The standalone financial statements have been prepared in conformity with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting year.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the

degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and future years affected.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

Deferred income tax assets and liabilities Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Income Taxes

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Standalone Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Notes to the financial statements

for the year March 31, 2024

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Standalone Statement of Profit or Loss.

Useful lives of Property, plant and equipment ('PPE')

The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting year. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of derivative and other financial instruments

The fair value of financial instruments, that are not traded in an active market, is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

(d) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(e) Foreign currency transaction

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and

from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

(f) Revenue recognition

The revenue is recognised once the entity is satisfied that the performance obligation & control are transferred to the customers.

(i) Sale of goods

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. The Company recognises revenue at point in time.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

(ii) Interest income

Interest income is accrued on a time proportion basis, by reference to the principle outstanding and the effective interest rate applicable.

(g) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable



Notes to the financial statements for the year March 31, 2024

income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In this case, the tax is also recognised in Other Comprehensive Income.

(h) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company

recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

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

(i) Impairment of assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the assets does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use,

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for the year March 31, 2024

the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(j) Cash and cash equivalents and Cash Flow Statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

(k) Inventories

Inventories are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Rejection and scrap

Rejection and scrap are valued at net realisable value.

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

(l) Property, plant and equipment and Capital work-in-progress

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting year in which they are incurred.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life of various property, plant and equipment is as under:-

- (a) Buildings (RCC Frame structures) - 60 years
- (b) Buildings (Other than RCC Frame structures) - 30 years
- (c) Plant and machinery- 15 Years
- (d) Vehicles- 8 years



Notes to the financial statements for the year March 31, 2024

- (e) Furniture and fixtures- 10 years
- (f) Office equipment- 5 years
- (g) Computers - 3 years

The residual values, useful lives and method of depreciation of Property, plant & equipment is reviewed at the end of each financial year and adjusted prospectively if appropriate.

(m) Intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

(a) Computer software - 3 to 6 years

The estimated useful life of the intangible assets and the amortisation year are reviewed at the end of each financial year and the amortisation year is revised to reflect the changed pattern, if any.

(n) Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

(o) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present

obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(q) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting year that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

Notes to the financial statements

for the year March 31, 2024

(iii) Post-employment obligations

Defined contribution plans: The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average year until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the year of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting year. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting year with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting year and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the year of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial year of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the year in which they are incurred.

(t) Financial instruments – initial recognition, subsequent measurement and impairment

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

A. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Equity instruments



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The equity instruments can be classified as:

- Equity instruments measured at fair value through profit or loss ('FVTPL')
- Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument within the scope of Ind AS -109.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- (a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (b) Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- (c) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured

at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

Investment in equity shares

The Company subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investment in subsidiary

Investment in subsidiary are measured at cost less impairment loss, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investment, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

- (a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses

Notes to the financial statements

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that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

(i) Classification

The Company classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss

- Financial liabilities measured at amortized cost

(ii) Measurement

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

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

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

(iii) De-recognition of financial liability

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

C. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must



Notes to the financial statements for the year March 31, 2024

not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

D. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each year. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(u) Segment information

The Company is in the business of Trading of Building Material Products and hence there is only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

1(iii) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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2(a) : Property, Plant and Equipment

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
Freehold Land	30.92	-
Buildings	0.42	-
Plant and Equipment	6.48	-
Furniture & Fixtures	0.11	-
Vehicles	0.28	-
Office Equipments	0.09	-
Computers	0.38	0.00
	38.68	0.00

(₹ in crore)

	Freehold Land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Cost / Deemed cost								
Balance at March 31, 2023	-	-	-	-	-	0.01	0.00	0.01
Additions	30.92	0.43	6.73	0.16	0.30	0.10	0.44	39.08
Sales/disposals during the year	-	-	-	0.04	-	0.01	0.01	0.06
Balance as at March 31, 2024	30.92	0.43	6.73	0.12	0.30	0.10	0.43	39.03
Accumulated depreciation								
Balance at March 31, 2023	-	-	-	-	-	0.01	-	0.01
Reversal on disposals of assets	-	-	-	0.00	-	0.01	0.00	0.01
Depreciation expense	-	0.01	0.25	0.01	0.02	0.01	0.05	0.35
Balance as at March 31, 2024	-	0.01	0.25	0.01	0.02	0.01	0.05	0.35
Net carrying value								
Balance at March 31, 2023	-	-	-	-	-	-	0.00	0.00
Balance as at March 31, 2024	30.92	0.42	6.48	0.11	0.28	0.09	0.38	38.68

2(b) : Capital work-in-progress

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	-	-
Additions	17.06	-
Capitalised during the year	-	-
Balance at the closing	17.06	-

Ageing of Capital work in progress (CWIP) is as below :

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project in progress	17.06	-	-	-	17.06
Project temporarily suspended	-	-	-	-	-
Closing balance as at March 31, 2024	17.06	-	-	-	17.06

There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original/revised plan.



Notes to the financial statements

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2(c) Right of use assets and lease liabilities

(₹ in crore)

Particulars	Building	Total
Balance as at March 31, 2023	-	-
Additions	0.54	0.54
Depreciation	(0.16)	(0.16)
Balance as at March 31, 2024	0.38	0.38

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 37 months for building. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the standalone statement of Profit and Loss.

(ii) The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023 :

Right of use assets and lease liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liability	0.16	-
Non-current lease liability	0.24	-
Total	0.40	-

(iii) The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	-	-
Additions	0.54	-
Interest expense on lease liabilities	0.03	-
Deletions	-	-
Payment of lease liabilities	(0.17)	-
Balance at the end	0.40	-

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	0.19	-
One to five years	0.24	-
More than five years	-	-
Total	0.43	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

3 Investment (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in wholly owned subsidiary - (unquoted, fully paid) :		
10 (March 31, 2023 : NIL) equity shares of AED 5,000 each fully paid up in SG Marts FZE - at cost (see note (i) below)	0.11	-
Total	0.11	-

Notes

The Company has during the year invested ₹0.11 crore (March 31, 2023 : NIL) in SG Marts FZE having its principal place of business in the Jebel Ali Free Zone, Dubai, United Arab Emirates, by subscribing to 10 equity shares of AED 5,000 each.

Notes to the financial statements

for the year March 31, 2024

4 Loans (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan to subsidiary company (see note (i) below)	46.56	-
Total	46.56	-

(i) During the year, the Company has given a loan amounting to ₹46.56 crore (March 31, 2023 : NIL) carrying interest 8.50 % p.a. to a wholly owned subsidiary viz. SG Marts FZE for the purpose of meeting its operational and capital requirements. The loan was repayable upto 5 years in tranches as and when funds are available with SG Marts FZE. The maximum amount outstanding during the year ended March 31, 2024 was ₹46.56 crore.

(ii) There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013) that are either repayable on demand or without specifying any terms or period of repayment.

5 Other financial assets (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Security deposit	0.04	0.05
Total	0.04	0.05

6 Inventories

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Stock-in-trade	71.25	-
Total	71.25	-

Notes

(i) The mode of valuation of inventories has been stated in note 1(ii)(k) of material accounting policies.

(ii) Inventories have been hypothecated towards Company's borrowings from banks (see note 17).

7 Trade receivables (Current)

(Unsecured)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good		
(i) Related parties	-	-
(ii) Other than related parties	86.34	-
Sub total	86.34	-
(b) Considered doubtful (other than related parties)	-	-
Less: Allowance for trade receivables (expected credit loss allowance)	-	-
Sub total	-	-
Total	86.34	-



Notes to the financial statements

for the year March 31, 2024

Ageing of trade receivables and credit risk arising there from is as below :

Particulars	As at March 31, 2024						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	-	86.34	-	-	-	-	86.34
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - Credit Impaired	-	-	-	-	-	-	-
	-	86.34	-	-	-	-	86.34
Less : Allowance for credit losses							-
Net trade receivables							86.34

Particulars	As at March 31, 2023						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	-	-	-	-	-	-	-
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - Credit Impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Less : Allowance for credit losses							-
Net trade receivables							-

Notes

Trade receivables have been hypothecated towards Company's borrowings from banks (see note 17).

Notes to the financial statements

for the year March 31, 2024

8 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Cash on hand	-	0.04
(b) Balances with banks - in current accounts	2.02	0.65
(c) In fixed deposits with maturity less than 3 months	120.00	11.09
Total	122.02	11.78

9 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Earmarked accounts		
(i) In fixed deposits with maturity of more than 3 months but less than 12 months (refer note below)	1,003.43	-
(ii) Unpaid dividend accounts (Earmarked against the corresponding provision, refer note 19)	0.00	0.00
Total	1,003.43	0.00

Note :

The Company has taken fixed deposit overdraft facilities from banks against which fixed deposits have been pledged as security with banks.

10 Loans (Current)

(Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan to related party (see note 34)	0.49	-
Total	0.49	-

11 Other financial assets (Current)

(Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest accrued but not due on fixed deposits	24.37	0.27
(b) Interest accrued and due on loans given	0.30	-
(c) Earnest Money Deposit	1.00	-
(d) Derivative assets (net)	0.58	-
Total	26.25	0.27

12 Current tax assets (net)

(Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Income tax (net of provision)	-	0.02
Total	-	0.02



Notes to the financial statements

for the year March 31, 2024

13 Other current assets

(Unsecured, considered good)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Balances with government authorities:		
(i) Goods and services tax (GST) credit receivables	13.12	0.06
(b) Prepaid expenses	5.73	-
(c) Advance to suppliers	51.87	-
(d) Other receivables	0.70	-
(e) Capital advances	3.00	-
(f) Staff imprest	0.02	-
Total	74.44	0.06

14 Equity

(₹in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
14(a) Equity share capital				
Authorised capital				
Equity shares of ₹1 each (March 31, 2023 : ₹10 each) (see note (iii) below)	15,00,00,000	15.00	60,00,000	6.00
	15,00,00,000	15.00	60,00,000	6.00
Issued capital				
Equity shares of ₹1 each (March 31, 2023 : ₹10 each)	11,15,40,000	11.15	10,00,000	1.00
	11,15,40,000	11.15	10,00,000	1.00
Subscribed and fully paid up capital				
Equity shares of ₹1 each (March 31, 2023 : ₹10 each)	11,15,40,000	11.15	10,00,000	1.00
	11,15,40,000	11.15	10,00,000	1.00

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2024 and March 31, 2023 :

(₹in crore)

Particulars	Number of shares	Amount	Number of shares	Amount
	As at	As at	As at	As at
	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
Equity share capital				
Outstanding at the beginning of the year (face value of ₹10 each)	10,00,000	1.00	10,00,000	1.00
Add: Issue of equity shares during the year through preferential issue of ₹10 each (see note (ii) (b) below)	45,77,000	4.58	-	-
Add: Sub-division of 1 share of face value ₹10/- each into 10 share of face value ₹1/- each effective from February 22, 2024 (Increase in shares on account of sub-division) (see note (iii) below)	5,01,93,000	-	-	-
Add: Increase in the number of shares on account of bonus issue of ₹1 each (see note (iv) below)	5,57,70,000	5.58	-	-
Outstanding at the end of the year	11,15,40,000	11.15	10,00,000	1.00

Notes to the financial statements

for the year March 31, 2024

(ii) Rights, preferences and restrictions attached to equity shares

- (a) The Company has one class of equity shares having a par value of ₹1 each (March 31, 2023 : ₹10 each). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (b) The Company has allotted 30,00,000 equity shares of face Value of ₹10/- each, at an issue price of ₹450/- per equity share, which included a premium of ₹440 per equity share, on July 10, 2023 through preferential issue approved by the Board of Directors on April 3, 2023 and further approved by the shareholders on May 5, 2023. Out of 30,00,000 equity shares 8,00,000 shares shall be locked in upto February 17, 2025.

Further allotted 15,77,000 equity shares of face Value of ₹10/- each, at an issue price of ₹5,000/- per equity share, which included a premium of ₹4,990 per equity share, on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 and shall be locked-in upto July 14, 2024.

- (iii) Board of Directors in its Meeting held on January 8, 2024, had approved a proposal of the sub-division of one equity share of face value ₹10 each into 10 equity share of face value ₹1 each, which is approved by shareholders of the Company through postal ballot and e-voting. The record date for the said sub-division was set at February 22, 2024.
- (iv) Board of Directors in its Meeting held on January 8, 2024, had approved a proposal of issue of Bonus equity shares to the equity shareholders of the Company in the ratio of 1:1 i.e. 1 (One) Equity Shares for every 1 (One) Equity Shares having a face value of ₹1/- (considering the post sub-division/split of face value of equity shares) held by the Eligible equity shareholders of the Company as on the record date, which is approved by shareholders of the Company through postal ballot and e-voting. The record date for the said sub-division was set at February 22, 2024. The Company allotted 5,57,70,000 equity shares as fully paid bonus shares by capitalisation of profit transferred from retained earnings amounting to ₹5.58 crores.

(v) Details of shares held by each shareholder holding more than 5% shares:-

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Dhruv Gupta	4,48,76,772	40.23	-	-
Meenakshi Gupta	1,38,98,820	12.46	-	-
Sahil Gupta	1,50,00,000	13.45	-	-
Gaurank Singhal	-	-	3,75,000	37.50
Aditya Singhal	-	-	3,75,000	37.50
Madhu Jaiswal	-	-	59,804	5.98
Sanjay Garg	-	-	58,598	5.86

(vi) Shares held by promoters at the end of the year

Name of promoter	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Dhruv Gupta	4,48,76,772	40.23	-	-
Meenakshi Gupta	1,38,98,820	12.46	-	-
Gaurank Singhal	-	-	3,75,000	37.50
Aditya Singhal	-	-	3,75,000	37.50



Notes to the financial statements

for the year March 31, 2024

(vii) Change in shares held by promoters during the current year

Particulars	Increase/(Decrease) in Shareholding
Dhruv Gupta	40.23
Meenakshi Gupta	12.46
Gaurank Singhal	(37.50)
Aditya Singhal	(37.50)

14(b) Other equity

(₹in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Share Warrant	90.38	-
Securities premium	918.93	-
General reserve	0.20	0.20
Retained earnings	66.43	10.97
Total	1,075.94	11.17

(i) Share Warrant

Balance at the beginning of the year	-	-
Add: Additions on account of issue of warrants	90.38	-
Balance at the end of the year	90.38	-

Note

The Company has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Company has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018. Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹1 each within 18 months from the date of allotment.

(ii) Security premium

Balance at the beginning of the year	-	-
Add: Additions on account of issue of equity shares	918.93	-
Balance at the end of the year	918.93	-

(iii) General reserve

Balance at the beginning of the year	0.20	0.20
Balance at the end of the year	0.20	0.20

(iv) Retained earnings

Balance at the beginning of the year	10.97	10.77
Add: Total comprehensive income for the year	61.04	0.20
Less: Issue of bonus shares (see note 14(a)(iv))	5.58	-
Balance at the end of the year	66.43	10.97

Notes to the financial statements

for the year March 31, 2024

Nature and purpose of Reserves :-

- (i) **Securities premium** : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the Companies Act).
- (ii) **General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. General reserves represents the free profits of the Company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time Company distribute dividend. General reserve is not an item of OCI, items included in the general reserve will not be reclassified to profit or loss.
- (iii) **Retained earnings** : It represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.

15 Provisions (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences	0.11	-
Provision for gratuity (see note 33)	0.13	-
Total	0.24	-

16 Deferred Tax Liabilities (net)

- (a) Component of deferred tax assets and liabilities are :-

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities on account of		
- Property, plant and equipments and other intangible assets	0.22	0.00
Total deferred tax liabilities (A)	0.22	0.00
Deferred Tax Assets on account of		
- Provision for employee benefit expenses	0.06	-
- Expenses allowable for tax purposes when paid/written of	0.03	-
Total deferred tax assets (B)	0.09	-
Disclosed as deferred tax liabilities (Net A-B)	0.13	0.00

- (b) Movement in deferred tax liabilities/asset

Particulars	As at April 1, 2023	Recognised in statement of profit and loss	As at March 31, 2024
Deferred tax liabilities (A)			
Property, plant and equipments and other intangible assets	0.00	0.22	0.22
Total	0.00	0.22	0.22
Deferred tax assets (B)			
Provision for employee benefit expenses	-	0.06	0.06
Expenses allowable for tax purposes when paid/written of	-	0.03	0.03
Total	-	0.09	0.09
Deferred tax liabilities (Net A-B)	0.00	0.13	0.13



Notes to the financial statements

for the year March 31, 2024

Particulars	As at April 1, 2022	Recognised in statement of profit and loss	As at March 31, 2023
Deferred tax liabilities (A)			
Property, plant and equipments and other intangible assets	0.00	-	0.00
Others	0.06	(0.06)	-
Total	0.06	(0.06)	0.00
Deferred tax assets (B)			
Provision for employee benefit expenses	-	-	-
Total	-	-	-
Deferred tax liabilities (Net A-B)	0.06	(0.06)	0.00

17 Borrowings (current) (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan repayable on demand		
- From banks (Secured)		
(i) Working capital facilities (see note (i) below)	181.89	-
Total	181.89	-

Nature of security :

- (i) Working capital facilities of SG Mart Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company.
Credit facilities are further secured by personal guarantee of the Mr. Sameer Gupta and Mr. Dhruv Gupta.
- (ii) All the quarterly statements of current assets filed by the Company with banks are in agreement with books of accounts.

18 Trade payables (Current) (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 39(a))	1.92	-
(b) Total outstanding dues of creditors other than MSME	191.64	-
	193.56	-

Outstanding for following periods from date of transaction :

(₹ in crore)

Particulars	As at March 31, 2024					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	1.92	-	-	-	1.92
Total outstanding dues of creditors other than MSME	-	191.64	-	-	-	191.64
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	-	193.56	-	-	-	193.56

Notes to the financial statements

for the year March 31, 2024

Outstanding for following periods from date of transaction :

(₹ in crore)

Particulars	As at March 31, 2023					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Total outstanding dues of creditors other than MSME	-	-	-	-	-	-
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	-	-	-	-	-	-

19 Other financial liabilities (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Unclaimed dividend (see note 9)	0.00	0.00
(b) Employee benefits payable	0.48	-
(c) Interest accrued but not yet due on borrowings	1.70	-
(d) Other payable	5.08	0.01
Total	7.26	0.01

20 Other current liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Statutory remittances	0.39	0.00
(b) Advance from customers	10.31	-
Total	10.70	0.00

21 Provisions (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	0.01	-
(b) Provision for gratuity (see note 33)	0.00	-
Total	0.01	-

22 Current tax liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for tax (net of advance tax)	5.77	-
Total	5.77	-

23 Revenue from operations

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of products (see note (i) below)	2,682.90	1.56
Total	2,682.90	1.56

Notes :



Notes to the financial statements

for the year March 31, 2024

(i) **Reconciliation of revenue recognised with contract price :**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	2,683.99	-
Adjustments for:		
Discount & incentives	(1.09)	-
Revenue from operations	2,682.90	-

24 Other income

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income on fixed deposits	27.99	0.35
(b) Interest income on income tax refund	0.00	-
(c) Interest income on others	0.31	-
(d) Profit from future and options	-	0.50
(e) Profit on sale of mutual funds	-	0.09
(f) Profit on sale of shares	-	0.08
(g) Exchange fluctuation gain	2.74	-
(h) Profit on sale of property, plant & equipment	0.01	-
(i) Profit on derivatives measured at fair value through profit & loss account	0.58	-
Total	31.63	1.02

25 Change in inventories

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year:		
(a) Stock-in-trade	71.25	-
(b) Work in progress	-	-
	71.25	-
Inventories at the beginning of the year:		
(a) Stock-in-trade	-	-
(b) Work in progress	-	1.56
	-	1.56
Total	(71.25)	1.56

26 Employee benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Salaries and wages	4.84	0.10
(b) Contribution to provident fund and other funds (see note 33)	0.15	-
(c) Staff welfare expenses	0.03	-
Total	5.02	0.10

Notes to the financial statements

for the year March 31, 2024

During the year, the Company recognised an amount of ₹1.49 crore (Year ended March 31, 2023 ₹ Nil crore) as remuneration to key managerial personnel. The details of such remuneration is as below :-

Particulars	(₹ in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(i) Short term employee benefits	1.48	-
(ii) Post employment benefits*	0.01	-
	1.49	-

* Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information. The amount is disclosed only at the time of payment.

27 Finance costs

(₹ in crore)

Particulars	(₹ in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest expense :		
(i) Interest on working capital facilities	10.90	-
(ii) Interest to Others	0.00	-
(iii) on leases	0.03	-
(b) Other borrowing cost	0.70	-
Total	11.63	-

28 Depreciation and amortisation expense

(₹ in crore)

Particulars	(₹ in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Depreciation on property, plant and equipment (see note 2(a))	0.35	0.00
(b) Depreciation of right of use assets (see note 2(c))	0.16	-
	0.51	0.00

29 Other expenses

(₹ in crore)

Particulars	(₹ in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Freight outward	2.18	-
(b) Rent	0.12	-
(c) Consumption of stores and spare parts	0.02	-
(d) Legal and professional charges (see note (i) below)	2.37	0.37
(e) Loading & unloading expenses	0.16	-
(f) Advertisement & sale promotion	1.17	0.02
(g) Rates and taxes	0.21	-
(h) FVTPL (Loss on fair value of current investment)	-	0.23
(i) Postage & Courier	0.01	-
(j) Printing & Stationary	0.02	-
(k) Repair & Maintenance	0.10	-
(l) Travelling & Conveyance	0.40	-
(m) Security Services	0.07	-



Notes to the financial statements

for the year March 31, 2024

29 Other expenses (Contd.)

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(n) Electricity	0.05	-
(o) Telephone and Mobile Expenses	0.01	-
(p) Insurance	0.15	-
(q) Office Expenses	0.03	-
(r) Directors Sitting Fees	0.05	-
(s) Miscellaneous expenses	0.02	0.03
Total	7.14	0.65

Note :-

(i) Legal & professional charges include auditor's remuneration (excluding indirect taxes) as follows :

(a) To statutory auditors

For Statutory audit (including quarterly limited review)	0.05	0.01
For Tax audit	0.02	-
For other services	0.01	-
For reimbursement	0.00	-
Total	0.08	0.01

30 Income tax expense

The reconciliation of estimated income tax to income tax expense is as below :-

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax as per statement of profit and loss	81.41	0.27
Income tax expenses calculated as per tax rates of Income tax act of 25.168% (March 31, 2023 : 25.168%)	20.49	0.07
(i) Items not deductible	(0.11)	-
(ii) Income tax of earlier year	(0.01)	-
Tax expense as reported	20.37	0.07

31 Earnings per equity shares

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

(₹ in crore except EPS)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Profit attributable to the equity holders of the Company used in calculating basic and diluted earnings per share	61.04	0.20
(b) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	7,43,78,415	2,00,00,000
(c) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	7,61,86,615	2,00,00,000
(d) Nominal value of equity shares	1.00	1.00
(e) Basic earnings per share (₹) (a/b)	8.21	0.10
(d) Diluted earnings per share (₹) (a/c)	8.01	0.10

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The basic and diluted EPS for the year ended March 31, 2023 have been restated considering the face value of ₹1/- each on account of sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each and bonus issue in accordance with Ind AS 33 – Earnings per Share. Also see note 14(a)(iii), (iv)

32 Contingent liabilities and commitments (to the extent not provided for) (₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Contingent liabilities (for pending litigations)	-	-
Total	-	-

(i) Based upon the legal opinion obtained by the management, there are various interpretation issues and thus management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, can not be ascertained.

(b) Commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Property, plant and equipments (net of advances)	22.96	-

(2) The Company has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee’s benefits. The Company does not have any other long term commitments or material non-cancellable contractual commitments /contracts, including derivative contracts for which there were any material foreseeable losses.

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

33 Employee benefit obligations

(a) Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 0.15 crore (Year ended March 31, 2023 ₹ NIL) for Provident Fund contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) Defined benefit plans

Gratuity

The Company has an unfunded defined benefit gratuity plan. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of ₹ 0.20 crore. Vesting occurs upon completion of 5 years of service.



Notes to the financial statements

for the year March 31, 2024

Particulars	As at March 31, 2024		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.00	0.13	0.13
Total employee benefit obligations	0.00	0.13	0.13

(₹ in crore)

Particulars	As at March 31, 2023		
	Current	Non-current	Total
Gratuity			
Present value of obligation	-	-	-
Total employee benefit obligations	-	-	-

(i) **Movement of defined benefit obligation:**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in crore)

Particulars	Gratuity
Opening balance as at April 1, 2022	-
Current service cost	-
Interest expense/(income)	-
Total amount recognised in profit or loss	-
Remeasurements	
-Loss due to experience adjustments	-
-effect of change in financial assumptions	-
Total amount recognised in other comprehensive income	-
Employer contributions : Benefit payments	-
Balance as at March 31, 2023	-
Opening balance as at April 1, 2023	-
Current service cost	0.13
Interest expense/(income)	-
Total amount recognised in profit or loss	0.13
Remeasurements	
-Loss due to experience adjustments	-
-effect of change in financial assumptions	-
Total amount recognised in other comprehensive income	-
Employer contributions : Benefit payments	-
Balance as at March 31, 2024	0.13

Notes to the financial statements

for the year March 31, 2024

(ii) **Movement of Plan Assets**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	-	-
Contribution by the employer	-	-
Expected return on plan assets	-	-
Actuarial gains / loss	-	-
Benefits paid	-	-
Closing balance	-	-

(iii) **Net asset / (liability) recognised in the Balance Sheet**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation	0.13	-
Less : fair value of plan assets	-	-
Unfunded Liability/provision in Balance Sheet	0.13	-

(iv) **Post-Employment benefits**

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.25%	-
Salary growth rate	10.00%	-
Retirement age	60 Years	-
Mortality	Indian Assured Lives Mortality 2012-14	-
Attrition Rate		
18 to 30 years	5.00%	-
31 to 44 years	3.00%	-
Above 44 years	2.00%	-

Notes :

- (1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.
- (2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



Notes to the financial statements

for the year March 31, 2024

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (increase by 0.5%)	(0.01)	-
Salary growth rate (increase by 0.5%)	0.01	-

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (decrease by 0.5%)	0.01	-
Salary growth rate (decrease by 0.5%)	(0.01)	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(vi) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.66 years (March 2023 : NA).

The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than a year	0.00	-
Between 1 - 2 years	0.00	-
Between 2 - 3 years	0.01	-
Between 3 - 4 years	0.01	-
Between 4 - 5 years	0.03	-
Between 5 - 6 years	0.01	-
6 year onwards	0.07	-
Total	0.13	-

Notes to the financial statements

for the year March 31, 2024

34 Related party transactions

(a) Details of related parties:	Name of related parties
(i) Subsidiary	SG Marts FZE (Company incorporated on January 24, 2024)
(ii) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Shivkumar Niranjn Lal Bansal, whole time director (w.e.f. April 3, 2023)
	Somya Garg, Chief Financial Officer (till September 23, 2023)
	Sanjay Garg, Chief Financial Officer (w.e.f. September 23, 2023 and till February 29, 2024)
	Suraj Kumar, Chief Financial Officer (w.e.f. March 1, 2024)
	Sachin Kumar, Company Secretary (w.e.f. April 3, 2023)
	Arihant Chopra, Independent Director
	Prakash Kumar Singh, Independent Director
(iii) Relatives of KMP (with whom transactions have taken place during the year)	Dhruv Gupta (Son of Mrs. Meenakshi Gupta, Director)
(iv) Enterprise in which KMP and their relatives are interested (with whom transactions have taken place during the year)	SG Sports & Entertainment Private Limited

(b) Transactions during the year		(₹ in crore)				
Particulars		Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprise in which KMP and their relatives are interested	Total
Remuneration						
Mr. Shivkumar Niranjn Lal Bansal	C.Y.	-	1.20	-	-	1.20
	P.Y.	-	-	-	-	-
Mrs. Somya Gupta	C.Y.	-	0.02	-	-	0.02
	P.Y.	-	-	-	-	-
Mr. Sanjay Garg	C.Y.	-	0.14	-	-	0.14
	P.Y.	-	-	-	-	-
Mr. Suraj Kumar	C.Y.	-	0.03	-	-	0.03
	P.Y.	-	-	-	-	-
Mr. Sachin Kumar	C.Y.	-	0.10	-	-	0.10
	P.Y.	-	-	-	-	-
	Total (C.Y.)	-	1.49	-	-	1.49
	Total (P.Y.)	-	-	-	-	-
Sitting fee						
Mr. Arihant Chopra	C.Y.	-	0.01	-	-	0.01
	P.Y.	-	0.01	-	-	0.01
Mr. Prakash Kumar Singh	C.Y.	-	0.03	-	-	0.03



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for the year March 31, 2024

Transactions during the year						(₹ in crore)
Particulars		Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprise in which KMP and their relatives are interested	Total
	P.Y.	-	0.02	-	-	0.02
Total (C.Y.)		-	0.04	-	-	0.04
Total (P.Y.)		-	0.02	-	-	0.02
Interest Income						
SG Marts FZE	C.Y.	0.30	-	-	-	0.30
	P.Y.	-	-	-	-	-
SG Sports & Entertainment Private Limited	C.Y.	-	-	-	0.00	0.00
	P.Y.	-	-	-	-	-
Total (C.Y.)		0.30	-	-	0.00	0.30
Total (P.Y.)		-	-	-	-	-
Issue of equity share capital						
Dhruv Gupta	C.Y.	-	-	33.75	-	33.75
	P.Y.	-	-	-	-	-
Total (C.Y.)		-	-	33.75	-	33.75
Total (P.Y.)		-	-	-	-	-
Issue of warrants						
Mr. Shivkumar Niranjnlal Bansal	C.Y.	-	9.38	-	-	9.38
	P.Y.	-	-	-	-	-
Total (C.Y.)		-	9.38	-	-	9.38
Total (P.Y.)		-	-	-	-	-
Investment in share capital						
SG Marts FZE	C.Y.	0.11	-	-	-	0.11
	P.Y.	-	-	-	-	-
Total (C.Y.)		0.11	-	-	-	0.11
Total (P.Y.)		-	-	-	-	-
Loans given during the year						
SG Marts FZE	C.Y.	46.56	-	-	-	46.56
	P.Y.	-	-	-	-	-
SG Sports & Entertainment Private Limited	C.Y.	-	-	-	0.49	0.49
	P.Y.	-	-	-	-	-
Total (C.Y.)		46.56	-	-	0.49	47.05
Total (P.Y.)		-	-	-	-	-

Notes to the financial statements

for the year March 31, 2024

(c) **Balances outstanding at the end of the year**

(₹ in crore)

Particulars	Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprise in which KMP and their relatives are interested	Total
Interest receivable					
SG Marts FZE	C.Y.	0.30	-	-	0.30
	P.Y.	-	-	-	-
SG Sports & Entertainment Private Limited	C.Y.	-	-	0.00	-
	P.Y.	-	-	-	-
Total (C.Y.)		0.30	-	0.00	0.30
Total (P.Y.)		-	-	-	-
Loans given					
SG Marts FZE	C.Y.	46.56	-	-	46.56
	P.Y.	-	-	-	-
SG Sports & Entertainment Private Limited	C.Y.	-	-	0.49	0.49
	P.Y.	-	-	-	-
Total (C.Y.)		46.56	-	0.49	47.05
Total (P.Y.)		-	-	-	-

35 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023.

(₹ in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets - Non Current				
Security deposit	-	0.04	-	0.05
Loan given	-	46.56	-	-
Financial assets - Current				
Trade receivables	-	86.34	-	-
Cash and cash equivalents	-	122.02	-	11.78
Bank balances other than cash and cash equivalents	-	1,003.43	-	0.00
Loan given	-	0.49	-	-
Derivative assets (net)	0.58	-	-	-
Others Financials assets	-	25.67	-	0.27
Total financial assets	0.58	1,284.55	-	12.10



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(₹ in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial liabilities-Non Current				
Lease liabilities	-	0.24	-	-
Financial liabilities-Current				
Borrowings	-	181.89	-	-
Lease liabilities	-	0.16	-	-
Trade payable	-	193.56	-	-
Other financial liabilities	-	7.26	-	0.01
Total financial liabilities	-	383.11	-	0.01

- (a) Financial assets measured at fair value - recurring fair value measurements :

(₹ in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Level 2	Level 2
Financial Assets		
- Assets for foreign currency forward contracts	0.58	-
Total financial assets	0.58	-

Fair value of forward contracts determined by reference to quote from financial institutions.

- (b)
- Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

- (c)
- Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

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36 Financial risk management objectives

The Company's activities expose it to market risk (including foreign currency risk and interest rate risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors, The Company treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions, foreign exchange risk etc.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

The Company's functional currency is Indian Rupees (₹). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's costs of imports, primarily in relation to import of capital goods. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivable in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months or as deemed appropriate based on market conditions. In respect of imports and other payables, the Company hedges its payable as and when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) The position of foreign currency exposure to the Company as at the end of the year are as follows :

(a) Forward contract outstanding	Buy/ Sell	As at	As at
		March 31, 2024	March 31, 2023
In USD	Buy	1,85,11,336	-
Equivalent amount in crore (₹)	Buy	154.39	-

(2) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise.

Currency	As at	As at
	March 31, 2024	March 31, 2023
Loan given to subsidiary		
AED	2,05,00,000	-
Equivalent amount in crore (₹)	46.56	-



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Sensitivity

If INR is depreciated or appreciated by 2.5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss (after tax) of the Company are given below:

(₹ in crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
AED sensitivity		
INR/AED Increases by 2.5% (March 31, 2023 - 2.5%)	0.87	-
INR/AED Decreases by 2.5% (March 31, 2023 - 2.5%)	(0.87)	-

(ii) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

The Company uses variable interest rates on its interest bearing liabilities. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	181.89	-
Total borrowings	181.89	-

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding :

(₹ in crore)

Particulars	Balance	% of total loans
As at March 31, 2024		
Bank overdrafts, bank loans, Cash Credit	181.89	100%
As at March 31, 2023		
Bank overdrafts, bank loans, Cash Credit	-	0%

Sensitivity

Profit or loss (after tax) is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest rates – increase by 100 basis points (100 bps)	(1.36)	-
Interest rates – decrease by 100 basis points (100 bps)	1.36	-

(b) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Company's trade receivables are generally categories into following categories:

1. Institutional customers
2. Dealers

In case of sale to institutional customers, certain credit period is allowed. In order to mitigate credit risk, majority of the sales are secured by letter of credit, bank guarantee, post dated cheques, etc.

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In case of sale to dealers certain, credit period is allowed. In order to mitigate credit risk, majority of the sales made to dealers are secured by way of post dated cheques (PDC).

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

(c) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	418.11	-
Nature of facility	Working Capital	Working Capital

i) Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities :-

(₹ in crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
As at March 31, 2024				
Borrowings (interest bearing)	181.89	-	-	181.89
Lease liabilities (interest bearing)	0.19	0.24	-	0.43
Interest accrued but due on borrowings	1.70	-	-	1.70
Trade payables	193.56	-	-	193.56
Others	5.56	-	-	5.56
Total non-derivative liabilities	382.90	0.24	-	383.14
Non-derivatives				
As at March 31, 2023				
Borrowings (interest bearing)	-	-	-	-
Lease liabilities (interest bearing)	-	-	-	-
Interest accrued but due on borrowings	-	-	-	-
Trade payables	-	-	-	-
Others	0.01	-	-	0.01
Total non-derivative liabilities	0.01	-	-	0.01



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37 Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	As at March 31, 2023	Net Cash flows	As at March 31, 2024
Non-current borrowings	-	-	-
Current borrowings	-	181.89	181.89
Total liabilities from financing activities	-	181.89	181.89

(₹ in crore)

Particulars	As at March 31, 2022	Net Cash flows	As at March 31, 2023
Non-current borrowings	-	-	-
Current borrowings	-	-	-
Total liabilities from financing activities	-	-	-

38 Capital management

(a) Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its business expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings	-	-
Current borrowings	181.89	-
Less : Cash and cash equivalents	(122.02)	(11.78)
Less : Bank balances other than cash and cash equivalents	(1,003.43)	(0.00)
Net debt	(943.56)	(11.78)
Total equity	1,087.09	12.17
Gearing Ratio	(0.87)	(0.97)

Equity includes all capital and reserves of the Company that are managed as capital.

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for the year March 31, 2024

39 Additional Regulatory Information

- (a) The amount due to Micro and small enterprises as defined in "The Micro, Small and Medium Enterprises Development act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below :

(₹ in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	1.92	-
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-
Total	1.92	-

(b) Corporate social responsibility

Based on the provisions of Section 135 of the Companies Act, 2013 ('the Act') read with Schedule VII to the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended, Corporate Social Responsibility is not applicable to the Company.

(c) Financial Ratios as per the Schedule III requirements

Particulars	Change (%)	As at	As at
		March 31, 2024	March 31, 2023
(i) Current Ratio	-99.58%	3.47	825.05
Current Ratio = Current Assets / Current Liabilities			
Reason for change more than 25%		As business operation has been started this year which resulted increase in current liabilities. Accordingly Current ratio is at lower side than previous year	
(ii) Debt-Equity Ratio*	NA	NA	NA
Debt-Equity Ratio = Net Debt(1) / Shareholder's Equity			
(iii) Debt Service Coverage Ratio	NA	6.29	NA
Debt Service Coverage Ratio = Earnings available for debt service(2) / Debt service(3)			
(iv) Return on Equity Ratio	581.36%	11.11%	1.63%
Return on Equity Ratio= Net Profit after tax /Average shareholder's equity			
Reason for change more than 25%		Due to increase in earnings during the year	
(v) Inventory turnover ratio	3665.70%	75.31	2.00
Inventory turnover ratio= Sales / Average closing inventory			
Reason for change more than 25%		Due to increase in sales during the year	



Notes to the financial statements

for the year March 31, 2024

	Particulars	Change (%)	As at March 31, 2024	As at March 31, 2023
(vi)	Trade receivables turnover ratio	NA	62.15	NA
	Trade receivables turnover ratio= Sales / Average closing trade receivables			
(vii)	Trade payables turnover ratio	NA	27.69	NA
	Trade payables turnover ratio= Net purchases / Average closing trade payables			
(viii)	Net capital turnover ratio	1995.47%	2.72	0.13
	Net capital turnover ratio= Sales / Working capital			
	Reason for change more than 25%	Due to increase in sales during the year		
(ix)	Net Profit Ratio	-82.01%	2.28%	12.65%
	Net Profit Ratio= Profit after tax / Sales			
	Reason for change more than 25%	Change in business activity resulted in change of Margin.		
(x)	Return on capital employed	-26.27%	50.94%	69.09%
	Return on capital employed= Earning before interest and taxes(4) / Capital employed(5)			
	Reason for change more than 25%	Increase in capital employed resulted lower the ratio		
(xi)	Return on investment	NA	5.39%	NA
	Return on investment= Income generated from invested funds / average invested funds in treasury investments			

Explanation of formulas used in calculating ratios :

- (1) Net debt includes borrowings (long term and short term) net of cash & cash equivalents and bank balances.
- (2) Earnings available for debt service includes profit after tax, finance costs, depreciation and other non cash expense.
- (3) Debt service includes finance costs paid and principal repayment of borrowings (long term and short term).
- (4) Earning before interest and taxes includes Profit before tax plus depreciation
- (5) Capital employed includes Tangible net worth (Total assets - total liability - intangible assets), net debt and deferred tax liability.

Note :

* Debt to Equity ratio is not applicable as Net debts is negative.

This is the first year of the Company in the new business segment after taking over by the new management.

Accordingly, revenue growth resulting in increase in profits along with higher efficiency on working capital improvement has resulted major change in the ratios.

(d) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(e) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013

(f) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes to the financial statements

for the year March 31, 2024

(g) Utilisation of borrowed funds and share premium

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, 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.

No funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.

(h) Wilful defaulter

The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(i) Details of benami property held

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(j) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting years.

(k) Valuation of Property, plant & equipment and intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(l) Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(m) Undisclosed income

The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

40 During the year, in alignment with the new business activity, name of the Company has been changed from ""Kintech Renewables Limited"" to ""SG Mart Limited"" w.e.f. October 6, 2023.

Further its registered office has been shifted from Gujarat state to NCT of Delhi w.e.f. February 12, 2024.

41 Previous year's figure have been regrouped / reclassified wherever necessary to correspond with the current year's figures.

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors
SG MART LIMITED

Shivkumar Niranjnjal Bansal
 Whole Time Director
 DIN : 09736916

Suraj Kumar
 Chief Financial Officer

Meenakshi Gupta
 Director
 DIN : 01158825

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SG MART LIMITED (Formerly known as Kintech Renewables Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SG MART LIMITED (Formerly known as Kintech Renewables Limited)** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

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

The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent's Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles

generally accepted in India. The respective Board of Directors of the companies 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies 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 the respective management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 judgement 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 Act, we are also responsible for expressing our opinion on whether the Parent 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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.

We communicate with those charged with governance of the Parent Company included in the consolidated financial statements of which we are the independent auditors 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 Matter

We did not audit the financial statement of one subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of ₹46.57 crore as at March 31, 2024, total revenues of ₹Nil, total net profit/(loss) after tax of ₹(0.11) crore, total other comprehensive income/(loss) of ₹(0.11) crore and cash flows (net) amounting to ₹0.80 crore for the period ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by clause (xxi) of paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that there are no qualification or adverse remark included in CARO report in respect of the standalone financial statements of the Parent Company and reporting under CARO is not applicable to sole wholly owned foreign subsidiary Company included in these Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept 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, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Company, none of the directors of the Parent companies incorporated in India, is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act. Since its sole subsidiary company is incorporated outside India hence reporting under this clause is not applicable in respect of sole subsidiary company.
- f) With respect to the adequacy of the internal financial controls over financial reporting with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and since its sole subsidiary company is incorporated outside India hence reporting under this clause is not applicable in respect of sole subsidiary company.
 - iv. (a) The management of the Parent Company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management of the Parent Company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recoded in the writing or otherwise, that the Company shall, whether directly, or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The group has neither declared nor paid any dividend during the year.
- h) Based on our examination which included test checks, the Parent company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. We did not come across any instance of the audit trail feature being tampered with. Since its sole subsidiary company is incorporated outside India hence reporting under this clause is not applicable in respect of sole subsidiary company.
3. The Parent Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Ashok Kumar Goyal & Co.**
Chartered Accountants
(Firm Registration – 002777N)

(CA. Amit bansal)
Partner, F.C.A
Membership No. 506269

Place: New Delhi
Date: 16th April, 2024
UDIN: 24506269BKADGP9252



“Annexure A” to the Independent Auditor’s Report

of even date on the Consolidated Financial Statements of SG Mart Limited (Formerly known as Kintech Renewables Limited).

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls with reference to consolidated financial statements of **SG MART LIMITED (Formerly known as Kintech Renewables Limited)** (“the Parent Company”) and its subsidiary company (the Parent and its subsidiary together referred to as “the Group”) as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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. 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which are companies 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 internal financial controls system with reference to consolidated financial statements of Company and its subsidiary.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

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

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

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 **Ashok Kumar Goyal & Co.**

Chartered Accountants

(Firm Registration – 002777N)

Place: New Delhi

Dated: 16th April, 2024

UDIN: 24506269BKADGP9252

(CA. Amit Bansal)

Partner, F.C.A

Membership No. 506269

Consolidated Balance Sheet

as at March 31, 2024

(₹ in crore)

Particulars	Notes	As at March 31, 2024
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	2(a)	38.68
(b) Capital work-in-progress	2(b)	17.06
(c) Right of use assets	2(c)	0.38
(d) Financial assets		
(i) Other financial assets	3	0.04
Total non-current assets		56.16
(2) Current assets		
(a) Inventories	4	71.25
(b) Financial assets		
(i) Trade receivables	5	86.34
(ii) Cash and cash equivalents	6	122.82
(iii) Bank balances other than (ii) above	7	1,003.43
(iv) Loans	8	0.49
(v) Other financial assets	9	26.28
(c) Other current assets	10	120.18
Total current assets		1,430.79
Total Assets		1,486.95
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	11(a)	11.15
(b) Other equity	11(b)	1,075.84
Total equity		1,086.99
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	2(c)	0.24
(b) Provisions	12	0.24
(c) Deferred tax liabilities (net)	13	0.13
Total non-current liabilities		0.61
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	14	181.89
(ii) Lease liabilities	2(c)	0.16
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	15	1.92
- total outstanding dues of creditors other than micro and small enterprises	15	191.64
(iv) Other financial liabilities	16	7.26
(b) Other current liabilities	17	10.70
(c) Provisions	18	0.01
(d) Current tax liabilities (net)	19	5.77
Total current liabilities		399.35
Total Equity and Liabilities		1,486.95

See accompanying notes to the financial statements
 In terms of our report attached

1-39

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

For and on behalf of the Board of Directors of
SG MART LIMITED

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Shivkumar Niranjnlal Bansal
 Whole Time Director
 DIN : 09736916

Meenakshi Gupta
 Director
 DIN : 01158825

Place: New Delhi
 Date: April 16, 2024

Suraj Kumar
 Chief financial officer

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



Statement of Consolidated Standalone Profit and Loss

for the year ended March 31, 2024

(₹ in crore)

Particulars	Notes	Year ended March 31, 2024
I Revenue from operations	20	2,682.90
II Other income	21	31.63
III Total income (I +II)		2,714.53
IV Expenses		
(a) Purchase of stock-in-trade		2,680.07
(b) Changes in inventories of stock-in-trade	22	(71.25)
(c) Employee benefits expense	23	5.02
(d) Finance costs	24	11.63
(e) Depreciation and amortisation expense	25	0.51
(f) Other expenses	26	7.24
Total expenses		2,633.22
V Profit before tax (III - IV)		81.31
VI Tax expense:		
(a) Current tax		20.25
(b) Deferred tax charge (net)	13	0.13
(c) Income tax expense of earlier year		(0.01)
Total tax expense	27	20.37
VII Profit for the year (V-VI)		60.94
VIII Other comprehensive income for the year		
Add : (less) items that will not be reclassified to profit or loss		
(a) Remeasurement of post employment benefit obligation		-
(b) Income tax relating to above item		-
Other comprehensive income		-
IX Total comprehensive income for the year (VII+VIII)		60.94
X Earnings per equity share of ₹ 1 each:		
(a) Basic (in ₹)	28	8.19
(b) Diluted (in ₹)	28	8.00

See accompanying notes to the financial statements

1-39

In terms of our report attached

For **Ashok Kumar Goyal & Co**
Chartered Accountants
Firm's Registration No. 002777N

Amit Bansal
Partner
Membership No. 506269
UDIN : 24506269BKADGO5402

Place: New Delhi
Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjnlal Bansal
Whole Time Director
DIN : 09736916

Meenakshi Gupta
Director
DIN : 01158825

Suraj Kumar
Chief financial officer

Sachin Kumar
Company Secretary
ICSI M.No. : A61525

Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in crore)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2022	1.00
Changes during the year ended March 31, 2023	-
Balance as at March 31, 2023	1.00
Changes during the year March 31, 2024	10.15
Balance as at March 31, 2024	11.15

B. Other equity

Particulars	Money received against Share Warrants	Reserves and surplus			Total
		Securities premium	General Reserve	Retained Earnings	
Balance as at April 1, 2022	-	-	0.20	10.77	10.97
Profit for the year ended March 31, 2023	-	-	-	0.20	0.20
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	0.20	0.20
Allocations/Appropriations :					
Dividend paid	-	-	-	-	-
Balance as at March 31, 2023	-	-	0.20	10.97	11.17
Profit for the year ended March 31, 2024	-	-	-	60.94	60.94
Issue of Equity share and securities premium thereon	-	918.93	-	-	918.93
Subscription amount towards share warrants	90.38	-	-	-	90.38
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-
Total comprehensive income for the year	90.38	918.93	-	60.94	1,070.25
Allocations/Appropriations :					
Issue of bonus shares (see note 14(a)(iv))	-	-	-	(5.58)	(5.58)
Balance as at March 31, 2024	90.38	918.93	0.20	66.33	1,075.84

See accompanying notes to the financial statements

1-39

In terms of our report attached

For **Ashok Kumar Goyal & Co**
Chartered Accountants
Firm's Registration No. 002777N

Amit Bansal
Partner
Membership No. 506269
UDIN : 24506269BKADGO5402

Place: New Delhi
Date: April 16, 2024

For and on behalf of the Board of Directors of
SG MART LIMITED

Shivkumar Niranjana Bansal
Whole Time Director
DIN : 09736916

Suraj Kumar
Chief financial officer

Meenakshi Gupta
Director
DIN : 01158825

Sachin Kumar
Company Secretary
ICSI M.No. : A61525



Consolidated Cash Flow Statement

for the year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024
A. Cash flow from operating activities	
Profit before tax	81.31
Adjustments for:	
Depreciation and amortisation expense	0.51
Gain on sale of property, plant and equipment (net)	(0.01)
Profit on derivatives measured at fair value through profit & loss account	(0.58)
Finance costs	11.63
Interest income on fixed deposits	(27.99)
Interest income on others	(0.31)
Net unrealised foreign exchange gain	(1.54)
Operating profit before working capital changes	63.02
Changes in working capital:	
Adjustments for (increase) / decrease in operating assets:	
Inventories	(71.25)
Trade receivables	(86.34)
Other current financial assets	1.97
Other current assets	(120.10)
Adjustments for increase / (decrease) in operating liabilities:	
Trade payables	195.10
Other current liabilities	10.70
Provisions (current & non-current)	0.24
Other financial liabilities	7.25
Cash generated from operations	0.59
Income tax paid	(14.48)
Net cash flow (used in) activities (A)	(13.89)
B. Cash flow from investing activities	
Capital expenditure on property, plant and equipment (including capital advances)	(59.11)
Proceeds from sale of property, plant and equipment	0.06
Investment in fixed deposits (net)	(1,003.43)
Loan to related party	(0.49)
Interest received :	
-Fixed deposit	3.90
-Others	0.00
Net cash used in investing activities (B)	(1,059.07)

Consolidated Cash Flow Statement

for the year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024
C. Cash flow from financing activities	
Proceeds from issue of share capital and share warrants	1,013.88
Payment on account of lease liabilities	(0.17)
Finance costs	(11.60)
Proceeds from current borrowings	181.89
Net cash from financing activities (C)	1,184.00
Net increase in cash and cash equivalents (A+B+C)	111.04
Cash and cash equivalents at the beginning of the year	11.78
Cash and cash equivalents at the end of the year	122.82
See accompanying notes to the financial statements	1-39

In terms of our report attached

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGO5402

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors of
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Shivkumar Niranjana Lal Bansal
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Meenakshi Gupta
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 DIN : 01158825

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



Notes to the financial statements for the year March 31, 2024

1(i) Company background

SG Mart Limited (Formerly known as Kintech Renewables Limited) ("the Company" or "the Holding Company") is a public company located in India, having its registered office situated at Unit No. 705, GDITL Tower, Plot No. B-8, Netaji Subhash Place, Pitampura, Shakur Pur I Block, North West, Delhi, India, 110034. The Group was originally incorporated on 9th April 1985 and its shares are listed on Bombay Stock Exchange (BSE). The Group is primarily engaged in the business of trading of building material products. The Group has one wholly owned subsidiary in United Arab Emirates (the Company and its subsidiary constitute "the Group").

1(ii) Material Accounting Policies

The material accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to the financial year presented in these financial statements.

(a) Statement of compliance

The consolidated financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013, the relevant provision of the Companies Act 2013 ("the Act") and other accounting principles generally accepted in India.

(b) Basis of Preparation

The consolidated financial statements have been prepared in conformity with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The consolidated financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting year.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability."

(c) Principles of consolidation

The Group consolidates all entities which are controlled by it. The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The consolidated financial statements relate to SG MART Limited, the holding Company and its subsidiary company (hereinafter collectively referred as "the Group"). The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2024.
- b. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.
- c. The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' is determined separately for each subsidiary Company and such amounts are not set off between different entities.
- d. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders

Notes to the financial statements

for the year March 31, 2024

may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

- e. Goodwill arising on consolidation is not amortised but tested for impairment.
- f. SG Marts FZE, foreign subsidiary, which was incorporated on January 24, 2024 has been considered in the preparation of consolidated financial statements.

(c) Use of estimates and critical accounting judgements

In preparation of the consolidated financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and future years affected.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred income tax assets and liabilities

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

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Income Taxes

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby

the tax charge in the Consolidated Statement of Profit or Loss. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Consolidated Statement of Profit or Loss."

Useful lives of Property, plant and equipment ('PPE')

The Group reviews the estimated useful lives and residual value of PPE at the end of each reporting year. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of derivative and other financial instruments

The fair value of financial instruments, that are not traded in an active market, is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible."

(d) Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(e) Foreign currency transaction

- (i) Functional and presentation currency

The consolidated financial statements are presented in Indian rupee (₹), which is functional and presentation currency.



Notes to the financial statements

for the year March 31, 2024

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Consolidated Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains/(losses).

(f) Revenue recognition

The revenue is recognised once the entity is satisfied that the performance obligation & control are transferred to the customers.

(i) Sale of goods

The Group derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods. To recognize revenues, the Group applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. The Group recognises revenue at point in time.

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled. Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances."

(ii) Interest income

Interest income is accrued on a time proportion basis, by

reference to the principle outstanding and the effective interest rate applicable.

(g) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income . In this case, the tax is also recognised in Other Comprehensive Income.

(h) Leases

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right

Notes to the financial statements

for the year March 31, 2024

to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets."

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(i) Impairment of assets

At each balance sheet date ,the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).Where the assets does not generate

cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the consolidated statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(j) Cash and cash equivalents, and Consolidated cash flow statement

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in consolidated cash flow statement.

(k) Inventories

Inventories are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads, where applicable.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Rejection and scrap

Rejection and scrap are valued at net realisable value.



Notes to the financial statements

for the year March 31, 2024

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

(l) Property, plant and equipment and Capital work-in-progress

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Consolidated Statement of Profit or Loss during the reporting year in which they are incurred.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest."

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life of various property, plant and equipment is as under:-

- (a) Buildings (RCC Frame structures) - 60 years
- (b) Buildings (Other than RCC Frame structures) - 30 years

- (c) Plant and machinery- 15 Years
- (d) Vehicles- 8 years
- (e) Furniture and fixtures- 10 years
- (f) Office equipment- 5 years
- (g) Computers - 3 years

The residual values, useful lives and method of depreciation of Property, plant & equipment is reviewed at the end of each financial year and adjusted prospectively if appropriate.

(m) Intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

- (a) Computer software - 3 to 6 years

The estimated useful life of the intangible assets and the amortisation year are reviewed at the end of each financial year and the amortisation year is revised to reflect the changed pattern, if any.

(n) Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

(o) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past

Notes to the financial statements

for the year March 31, 2024

events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(q) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting year that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Defined contribution plans: The Group's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average year until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Consolidated Statement of Profit and Loss over the year of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Consolidated Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting year. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting year with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting year and before the approval of the Consolidated financial statements for issue, not to demand payment as a consequence of the breach.



Notes to the financial statements

for the year March 31, 2024

(s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the year of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial year of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the year in which they are incurred.

(t) Financial instruments – initial recognition, subsequent measurement and impairment

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

A. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit or loss or other comprehensive income.

The classification criteria of the Group for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Group, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Equity instruments

The equity instruments can be classified as:

- Equity instruments measured at fair value through profit or loss ('FVTPL')
- Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument within the scope of Ind AS -109.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- (a) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (b) **Fair value through other comprehensive income:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is

Notes to the financial statements

for the year March 31, 2024

included in other income using the effective interest rate method.

- (c) **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the consolidated statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

Investment in equity shares

The Group subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the consolidated statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the consolidated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investment in subsidiary

Investment in subsidiary are measured at cost less impairment loss, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investment, difference between the net disposal proceeds and carrying amount is recognised in the consolidated statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

- (a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or

- (b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Consolidated Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

(i) Classification

The Group classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost



Notes to the financial statements for the year March 31, 2024

(ii) Measurement

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

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Consolidated Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the consolidated statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the year of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to

another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss as other income or finance costs.

C. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

D. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each year. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(u) Segment information

The Group is in the business of Trading of Building Material Products and hence there is only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

1(iii) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes to the financial statements

for the year March 31, 2024

2(a) : Property, Plant and Equipment

Particulars	As at March 31, 2024
Carrying amounts of :	
Freehold Land	30.92
Buildings	0.42
Plant and Equipment	6.48
Furniture & Fixtures	0.11
Vehicles	0.28
Office Equipments	0.09
Computers	0.38
	38.68

(₹ in crore)

	Freehold Land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Cost / Deemed cost								
Balance at March 31, 2023	-	-	-	-	-	0.01	0.00	0.01
Additions	30.92	0.43	6.73	0.16	0.30	0.10	0.44	39.08
Sales/disposals during the year	-	-	-	0.04	-	0.01	0.01	0.06
Balance as at March 31, 2024	30.92	0.43	6.73	0.12	0.30	0.10	0.43	39.03
Accumulated depreciation								
Balance at March 31, 2023	-	-	-	-	-	0.01	-	0.01
Reversal on disposals of assets	-	-	-	0.00	-	0.01	0.00	0.01
Depreciation expense	-	0.01	0.25	0.01	0.02	0.01	0.05	0.35
Balance as at March 31, 2024	-	0.01	0.25	0.01	0.02	0.01	0.05	0.35
Net carrying value								
Balance as at March 31, 2024	30.92	0.42	6.48	0.11	0.28	0.09	0.38	38.68

2(b) : Capital work-in-progress

(₹ in crore)

Particulars	As at March 31, 2024
Balance at the beginning	-
Additions	17.06
Capitalised during the year	-
Balance at the closing	17.06

Ageing of Capital work in progress (CWIP) is as below :

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project in progress	17.06	-	-	-	17.06
Project temporarily suspended	-	-	-	-	-
Closing balance as at March 31, 2024	17.06	-	-	-	17.06

There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original/revised plan.



Notes to the financial statements

for the year March 31, 2024

2(c) Right of use assets and lease liabilities

(₹ in crore)

Particulars	Building	Total
Balance as at March 31, 2023	-	-
Additions	0.54	0.54
Depreciation	(0.16)	(0.16)
Balance as at March 31, 2024	0.38	0.38

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 37 months for building. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the consolidated statement of Profit and Loss.

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

Right of use assets and lease liabilities

Particulars	As at March 31, 2024
Current lease liability	0.16
Non-current lease liability	0.24
Total	0.40

(iii) The following is the movement in lease liabilities during the year ended March 31, 2024 :

Particulars	As at March 31, 2024
Balance at the beginning	-
Additions	0.54
Interest expense on lease liabilities	0.03
Deletions	-
Payment of lease liabilities	(0.17)
Balance at the end	0.40

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis :

Particulars	As at March 31, 2024
Less than one year	0.19
One to five years	0.24
More than five years	-
Total	0.43

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

3 Other financial assets (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024
(a) Security deposit	0.04
Total	0.04

Notes to the financial statements

for the year March 31, 2024

4 Inventories		(₹ in crore)
Particulars		As at March 31, 2024
(a)	Stock-in-trade	71.25
Total		71.25

Notes

- (i) The mode of valuation of inventories has been stated in note 1(ii)(k) of material accounting policies.
 (ii) Inventories have been hypothecated towards Company's borrowings from banks.

7 Trade receivables (Current) (Unsecured)		(₹ in crore)
Particulars		As at March 31, 2024
(a)	Considered good	
	(i) Related parties	-
	(ii) Other than related parties	86.34
Sub total		86.34
(b)	Considered doubtful (other than related parties)	-
	Less: Allowance for trade receivables (expected credit loss allowance)	-
	Sub total	-
Total		86.34

Ageing of trade receivables and credit risk arising there from is as below :

Particulars	As at March 31, 2024						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	-	86.34	-	-	-	-	86.34
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - Credit Impaired	-	-	-	-	-	-	-
	-	86.34	-	-	-	-	86.34
Less : Allowance for credit losses							-
Net trade receivables							86.34

Notes

Trade receivables have been hypothecated towards Company's borrowings from banks (see note 17).



Notes to the financial statements

for the year March 31, 2024

6 Cash and cash equivalents

(₹in crore)

Particulars	As at March 31, 2024
(a) Cash on hand	-
(b) Balances with banks - in current accounts	2.02
(c) In fixed deposits with maturity less than 3 months	120.00
Total	122.02

79 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024
(a) Earmarked accounts	
(i) In fixed deposits with maturity of more than 3 months and less than 12 months (refer note below)	1,003.43
(ii) Unpaid dividend accounts (Earmarked against the corresponding provision, refer note 17)	0.00
Total	1,003.43

Note :

The Company has taken fixed deposit overdraft facilities from banks against which fixed deposits have been pledged as security with banks.

8 Loans (Current)

(Unsecured, considered good)

(₹in crore)

Particulars	As at March 31, 2024
(a) Loan to related party (see note 34)	0.49
Total	0.49

9 Other financial assets (Current)

(Unsecured, considered good)

Particulars	As at March 31, 2024
(a) Interest accrued but not due on fixed deposits	24.37
(b) Interest accrued and due on loans given	0.30
(c) Earnest Money Deposit	1.03
(d) Derivative assets (net)	0.58
Total	26.28

13 Other current assets

(Unsecured, considered good)

Particulars	As at March 31, 2024
(a) Balances with government authorities:	
(i) Goods and services tax (GST) credit receivables	13.12
(b) Prepaid expenses	5.87
(c) Advance to suppliers	51.87
(d) Other receivables	0.70
(e) Capital advances	48.60
(f) Staff imprest	0.02
Total	120.18

Notes to the financial statements

for the year March 31, 2024

11 Equity

(₹ in crore)

Particulars	As at March 31, 2024	
	Number of Shares	Amount
14(a) Equity share capital		
Authorised capital		
Equity shares of ₹1 each (March 31, 2023 : ₹10 each) (see note (iii) below)	15,00,00,000	15.00
	15,00,00,000	15.00
Issued capital		
Equity shares of ₹1 each (March 31, 2023 : ₹10 each)	11,15,40,000	11.15
	11,15,40,000	11.15
Subscribed and fully paid up capital		
Equity shares of ₹1 each (March 31, 2023 : ₹10 each)	11,15,40,000	11.15
	11,15,40,000	11.15

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2024 and March 31, 2023 :

(₹ in crore)

Particulars	Number of shares	Amount
	As at March 31, 2024	As at March 31, 2023
Equity share capital		
Outstanding at the beginning of the year (face value of ₹10 each)	10,00,000	1.00
Add: Issue of equity shares during the year through preferential issue of ₹10 each (see note (ii) (b) below)	45,77,000	4.58
Add: Sub-division of 1 share of face value ₹10/- each into 10 share of face value ₹1/- each effective from February 22, 2024 (Increase in shares on account of sub-division) (see note (iii) below)	5,01,93,000	-
Add: Increase in the number of shares on account of bonus issue of ₹1 each (see note (iv) below)	5,57,70,000	5.58
Outstanding at the end of the year	11,15,40,000	11.15

(ii) Rights, preferences and restrictions attached to equity shares

- (a) the Group has one class of equity shares having a par value of ₹ 1 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.
- (b) the Group has allotted 30,00,000 equity shares of face Value of ₹10/- each, at an issue price of ₹450/- per equity share, which included a premium of ₹440 per equity share, on July 10, 2023 through preferential issue approved by the Board of Directors on April 3, 2023 and further approved by the shareholders on May 5, 2023. Out of 30,00,000 equity shares 8,00,000 shares shall be locked in upto February 17, 2025.

Further allotted 15,77,000 equity shares of face Value of ₹10/- each, at an issue price of ₹5,000/- per equity share, which included a premium of ₹4,990 per equity share, on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 and shall be locked-in upto July 14, 2024.



Notes to the financial statements

for the year March 31, 2024

(iii) Board of Directors in its Meeting held on January 8, 2024, had approved a proposal of the sub-division of one equity share of face value ₹10 each into 10 equity share of face value ₹1 each, which is approved by shareholders of the Group through postal ballot and e-voting. The record date for the said sub-division was set at February 22, 2024.

(iv) Board of Directors in its Meeting held on January 8, 2024, had approved a proposal of issue of Bonus equity shares to the equity shareholders of the Group in the ratio of 1:1 i.e. 1 (One) Equity Shares for every 1 (One) Equity Shares having a face value of ₹1/- (considering the post sub-division/split of face value of equity shares) held by the Eligible equity shareholders of the Group as on the record date, which is approved by shareholders of the Group through postal ballot and e-voting. The record date for the said sub-division was set at February 22, 2024. the Group allotted 5,57,70,000 equity shares as fully paid bonus shares by capitalisation of profit transferred from retained earnings amounting to ₹5.58 crores.

(v) **Details of shares held by each shareholder holding more than 5% shares:-**

Name of shareholder	As at March 31, 2024	
	Number of shares held	% holding
Equity shares with voting rights		
Dhruv Gupta	4,48,76,772	40.23
Meenakshi Gupta	1,38,98,820	12.46
Sahil Gupta	1,50,00,000	13.45
Gaurank Singhal	-	-
Aditya Singhal	-	-
Madhu Jaiswal	-	-
Sanjay Garg	-	-

(vi) **Shares held by promoters at the end of the year**

Name of promoter	As at March 31, 2024	
	Number of shares held	% holding
Dhruv Gupta	4,48,76,772	40.23
Meenakshi Gupta	1,38,98,820	12.46
Gaurank Singhal	-	-
Aditya Singhal	-	-

(vii) **Change in shares held by promoters during the current year**

Particulars	Increase/(Decrease) in Shareholding
Dhruv Gupta	40.23
Meenakshi Gupta	12.46
Gaurank Singhal	(37.50)
Aditya Singhal	(37.50)

Notes to the financial statements

for the year March 31, 2024

11(b) Other equity

(₹in crore)

Particulars	As at March 31, 2024
Share Warrant	90.38
Securities premium	918.93
General reserve	0.20
Retained earnings	66.43
Total	1,075.94

(i) Share Warrant

Balance at the beginning of the year	-
Add: Additions on account of issue of warrants	90.38
Balance at the end of the year	90.38

Note

The Group has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Group has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018. Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹1 each within 18 months from the date of allotment.

(ii) Security premium

Balance at the beginning of the year	-
Add: Additions on account of issue of equity shares	918.93
Balance at the end of the year	918.93

(iii) General reserve

Balance at the beginning of the year	0.20
Balance at the end of the year	0.20

(iv) Retained earnings

Balance at the beginning of the year	10.97
Add: Total comprehensive income for the year	61.04
Less: Issue of bonus shares (see note 14(a)(iv))	5.58
Balance at the end of the year	66.43

Nature and purpose of Reserves :-

- (i) **Securities premium** : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the Companies Act).
- (ii) **General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. General reserves represents the free profits of the Company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time Company distribute dividend. General reserve is not an item of OCI, items included in the general reserve will not be reclassified to profit or loss.
- (iii) **Retained earnings** : It represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.



Notes to the financial statements

for the year March 31, 2024

12 Provisions (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024
Provision for compensated absences	0.11
Provision for gratuity (see note 33)	0.13
Total	0.24

14 Deferred Tax Liabilities (net)

(a) Component of deferred tax assets and liabilities are :-

(₹ in crore)

Particulars	As at March 31, 2024
Deferred Tax Liabilities on account of	
- Property, plant and equipments and other intangible assets	0.22
Total deferred tax liabilities (A)	0.22
Deferred Tax Assets on account of	
- Provision for employee benefit expenses	0.06
- Expenses allowable for tax purposes when paid/written of	0.03
Total deferred tax assets (B)	0.09
Disclosed as deferred tax liabilities (Net A-B)	0.13

(b) Movement in deferred tax liabilities/asset

Particulars	As at April 1, 2023	Recognised in statement of profit and loss	As at March 31, 2024
Deferred tax liabilities (A)			
Property, plant and equipments and other intangible assets	-	0.22	0.22
Total	-	0.22	0.22
Deferred tax assets (B)			
Provision for employee benefit expenses	-	0.06	0.06
Expenses allowable for tax purposes when paid/written of	-	0.03	0.03
Total	-	0.09	0.09
Deferred tax liabilities (Net A-B)	0.00	0.13	0.13

14 Borrowings (current)

(₹ in crore)

Particulars	As at March 31, 2024
Loan repayable on demand	
- From banks (Secured)	
(i) Working capital facilities (see note (i) below)	181.89
Total	181.89

Nature of security :

(i) Working capital facilities of SG Mart Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company.

Credit facilities are further secured by personal guarantee of the Mr. Sameer Gupta and Mr. Dhruv Gupta.

Notes to the financial statements

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(ii) All the quarterly statements of current assets filed by the Company with banks are in agreement with books of accounts.

15 Trade payables (Current) (₹ in crore)

Particulars	As at March 31, 2024
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 39(a))	1.92
(b) Total outstanding dues of creditors other than MSME	191.64
	193.56

Outstanding for following periods from date of transaction : (₹ in crore)

Particulars	As at March 31, 2024					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	1.92	-	-	-	1.92
Total outstanding dues of creditors other than MSME	-	191.64	-	-	-	191.64
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	-	193.56	-	-	-	193.56

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

16 Other financial liabilities (Current) (₹ in crore)

Particulars	As at March 31, 2024
(a) Unclaimed dividend (see note 9)	0.00
(b) Employee benefits payable	0.48
(c) Interest accrued but not yet due on borrowings	1.70
(d) Other payable	5.08
	7.26

17 Other current liabilities

Particulars	As at March 31, 2024
(a) Statutory remittances	0.39
(b) Advance from customers	10.31
Total	10.70

18 Provisions (Current)

Particulars	As at March 31, 2024
(a) Provision for compensated absences	0.01
(b) Provision for gratuity (see note 33)	0.00
Total	0.01

19 Current tax liabilities (net)

Particulars	As at March 31, 2024
(a) Provision for tax (net of advance tax)	5.77
Total	5.77



Notes to the financial statements

for the year March 31, 2024

20 Revenue from operations		(₹ in crore)
Particulars		Year ended March 31, 2024
(a)	Sale of products (see note (i) below)	2,682.90
Total		2,682.90
Notes :		
(i) Reconciliation of revenue recognised with contract price :		(₹ in crore)
Particulars		Year ended March 31, 2024
	Contract price	2,683.99
	Adjustments for:	
	Discount & incentives	(1.09)
Revenue from operations		2,682.90
21 Other income		
Particulars		Year ended March 31, 2024
(a)	Interest income on fixed deposits	27.99
(b)	Interest income on income tax refund	0.00
(c)	Interest income on others	0.31
(d)	Excwhange fluctuation gain	2.74
(e)	Profit on sale of property, plant & equipment	0.01
(f)	Profit on derivatives measured at fair value through profit & loss account	0.58
Total		31.63
22 Change in inventories		
Particulars		Year ended March 31, 2024
<p>"The Group has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Group has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018. Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹1 each within 18 months from the date of allotment."</p>		
(a)	Stock-in-trade	71.25
(b)	Work in progress	-
		71.25
Inventories at the beginning of the year:		
(a)	Stock-in-trade	-
(b)	Work in progress	-
Total		(71.25)

Notes to the financial statements

for the year March 31, 2024

23 Employee benefits expense		(₹ in crore)
Particulars		Year ended March 31, 2024
(a) Salaries and wages		4.84
(b) Contribution to provident fund and other funds (see note 33)		0.15
(c) Staff welfare expenses		0.03
Total		5.02

During the year, The Group recognised an amount of ₹1.49 crore as remuneration to key managerial personnel. The details of such remuneration is as below :-

		(₹ in crore)
Particulars		Year ended March 31, 2024
(i) Short term employee benefits		1.48
(ii) Post employment benefits*		0.01
		1.49

* Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information. The amount is disclosed only at the time of payment.

24 Finance costs		(₹ in crore)
Particulars		Year ended March 31, 2024
(a) Interest expense :		
(i) Interest on working capital facilities		10.90
(ii) Interest to Others		0.00
(iii) on leases		0.03
(b) Other borrowing cost		0.70
Total		11.63

25 Depreciation and amortisation expense		
Particulars		Year ended March 31, 2024
(a) Depreciation on property, plant and equipment (see note 2(a))		0.35
(b) Depreciation of right of use assets (see note 2(c))		0.16
		0.51



Notes to the financial statements

for the year March 31, 2024

26 Other expenses

(₹ in crore)

Particulars	Year ended March 31, 2024
(a) Freight outward	2.18
(b) Rent	0.15
(c) Consumption of stores and spare parts	0.02
(d) Legal and professional charges (see note (i) below)	2.39
(e) Loading & unloading expenses	0.16
(f) Advertisement & sale promotion	1.17
(g) Rates and taxes	0.21
(h) FVTPL (Loss on fair value of current investment)	0.01
(i) Postage & Courier	0.02
(j) Printing & Stationary	0.10
(k) Repair & Maintenance	0.40
(l) Travelling & Conveyance	0.07
(m) Security Services	0.05
(n) Electricity	0.01
(o) Telephone and Mobile Expenses	0.15
(p) Insurance	0.03
(q) Office Expenses	0.05
(r) Directors Sitting Fees	0.05
(s) Miscellaneous expenses	0.02
Total	7.24

Note :-

(i) Legal & professional charges include auditor's remuneration (excluding indirect taxes) as follows :

(a) To statutory auditors

For Statutory audit (including quarterly limited review)	0.05
For Tax audit	0.02
For other services	0.01
For reimbursement	0.00
Total	0.08

27 Income tax expense

The reconciliation of estimated income tax to income tax expense is as below :-

(₹ in crore)

Particulars	Year ended March 31, 2024
Profit before tax as per statement of profit and loss	81.41
Income tax expenses calculated as per tax rates of Income tax act of 25.168%	20.49
(i) Items not deductible	(0.11)
(ii) Income tax of earlier year	(0.01)
Tax expense as reported	20.37

Notes to the financial statements

for the year March 31, 2024

28 Earnings per equity shares

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

(₹ in crore except EPS)

Particulars	Year ended March 31, 2024
(a) Profit attributable to the equity holders of the Company used in calculating basic and diluted earnings per share	60.94
(b) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	7,43,78,415
(c) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	7,61,86,615
(d) Nominal value of equity shares	1.00
(e) Basic earnings per share (₹) (a/b)	8.19
(d) Diluted earnings per share (₹) (a/c)	8.00

29 Contingent liabilities and commitments (to the extent not provided for)

(₹ in crore)

Particulars	Year ended March 31, 2024
(a) Contingent liabilities (for pending litigations)	-
Total	-

(i) Based upon the legal opinion obtained by the management, there are various interpretation issues and thus management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on The Group, if any, can not be ascertained.

(b) Commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for

Particulars	As at March 31, 2024
(i) Property, plant and equipments (net of advances)	22.96

(2) The Group has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee's benefits. The Group does not have any other long term commitments or material non-cancellable contractual commitments /contracts, including derivative contracts for which there were any material foreseeable losses.

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

30 Employee benefit obligations

(a) Defined contribution plans

The Group makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 0.15 crore (Year ended March 31, 2023 ₹ NIL) for Provident Fund contributions in the consolidated statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.



Notes to the financial statements

for the year March 31, 2024

(b) Defined benefit plans

Gratuity

The Group has an unfunded defined benefit gratuity plan. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of ₹ 0.20 crore. Vesting occurs upon completion of 5 years of service.

Particulars	As at March 31, 2024		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.00	0.13	0.13
Total employee benefit obligations	0.00	0.13	0.13

(i) Movement of defined benefit obligation:

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

Particulars	Gratuity
Balance as at April 1, 2023	-
Current service cost	0.13
Interest expense/(income)	-
Total amount recognised in profit or loss	0.13
Remeasurements	
-Loss due to experience adjustments	-
-effect of change in financial assumptions	-
Total amount recognised in other comprehensive income	-
Employer contributions : Benefit payments	-
Balance as at March 31, 2024	0.13

(ii) Movement of Plan Assets

Particulars	Year ended March 31, 2024
Opening balance	-
Contribution by the employer	-
Expected return on plan assets	-
Actuarial gains / loss	-
Benefits paid	-
Closing balance	-

(iii) Net asset / (liability) recognised in the Balance Sheet

Particulars	As at March 31, 2024
Present value of defined benefit obligation	0.13
Less : fair value of plan assets	-
Unfunded Liability/provision in Balance Sheet	0.13

Notes to the financial statements

for the year March 31, 2024

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2024
Discount rate	7.25%
Salary growth rate	10.00%
Retirement age	60 Years
Mortality	Indian Assured Lives Mortality 2012-14
Attrition Rate	
The Group has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Group has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018.	5.00%
Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹1 each within 18 months from the date of allotment.	
31 to 44 years	3.00%
Above 44 years	2.00%
Notes :	
(1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.	
(2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.	

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

(₹ in crore)

Particulars	Year ended March 31, 2024
Gratuity	
Discount rate (increase by 0.5%)	(0.01)
Salary growth rate (increase by 0.5%)	0.01

Particulars	Year ended March 31, 2024
Gratuity	
Discount rate (decrease by 0.5%)	0.01
Salary growth rate (decrease by 0.5%)	(0.01)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.



Notes to the financial statements

for the year March 31, 2024

(vi) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.66 years (March 2023 : NA).

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	(₹ in crore)
	Year ended March 31, 2024
Less than a year	0.00
Between 1 - 2 years	0.00
Between 2 - 3 years	0.01
Between 3 - 4 years	0.01
Between 4 - 5 years	0.03
Between 5 - 6 years	0.01
6 year onwards	0.07
Total	0.13

31 Related party transactions

(a) Details of related parties:	Name of related parties
(i) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Shivkumar Niranjn Lal Bansal, whole time director (w.e.f. April 3, 2023) Somya Garg, Chief Financial Officer (till September 23, 2023) Sanjay Garg, Chief Financial Officer (w.e.f. September 23, 2023 and till February 29, 2024) Suraj Kumar, Chief Financial Officer (w.e.f. March 1, 2024) Sachin Kumar, Company Secretary (w.e.f. April 3, 2023) Arihant Chopra, Independent Director Prakash Kumar Singh, Independent Director
(ii) Relatives of KMP (with whom transactions have taken place during the year)	Dhruv Gupta (Son of Mrs. Meenakshi Gupta, Director)
(iii) Enterprise in which KMP and their relatives are interested (with whom transactions have taken place during the year)	SG Sports & Entertainment Private Limited

Notes to the financial statements

for the year March 31, 2024

(b) Transactions during the year

(₹ in crore)

Particulars	Key Management Personnel (KMP)	Relatives of KMP	Enterprise in which KMP and their relatives are interested	Total
Remuneration				
Mr. Shivkumar Niranjnall Bansal	1.20	-	-	1.20
Mrs. Somya Gupta	0.02	-	-	0.02
Mr. Sanjay Garg	0.14	-	-	0.14
Mr. Suraj Kumar	0.03	-	-	0.03
Mr. Sachin Kumar	0.10	-	-	0.10
Total	1.49	-	-	1.49
The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis :				
Mr. Arihant Chopra	0.01	-	-	0.01
Mr. Prakash Kumar Singh	0.03	-	-	0.03
Total	0.04	-	-	0.04
Interest Income				
SG Sports & Entertainment Private Limited	-	-	0.00	0.00
Total	-	-	0.00	0.00
Issue of equity share capital				
Dhruv Gupta	-	33.75	0.00	33.75
Total	-	33.75	0.00	33.75
Issue of warrants				
Mr. Shivkumar Niranjnall Bansal	9.38	-	0.00	9.38
Total	9.38	-	0.00	9.38
Loans given during the year				
SG Sports & Entertainment Private Limited	-	-	0.49	0.49
Total	-	-	0.49	0.49



Notes to the financial statements

for the year March 31, 2024

(c) Balances outstanding at the end of the year

(₹ in crore)

Particulars	Key Management Personnel (KMP)	Relatives of KMP	Enterprise in which KMP and their relatives are interested	Total
The Group has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Group has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018.				
Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹ 1 each within 18 months from the date of allotment.				
Interest receivable				
SG Sports & Entertainment Private Limited	-	-	0.00	-
Total	-	-	0.00	-
Loans given				
SG Sports & Entertainment Private Limited	-	-	0.49	0.49
Total	-	-	0.49	0.49

32 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024.

(₹ in crore)

Particulars	As at March 31, 2024	
	FVTPL	Amortised cost
Financial assets - Non Current		
Security deposit	-	0.04
Financial assets - Current		
Trade receivables	-	86.34
Cash and cash equivalents	-	122.82
The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis :	-	1,003.43
Loan given	-	0.49
Derivative assets (net)	0.58	-
Others Financial assets	-	25.70
Total financial assets	0.58	1238.82

Notes to the financial statements

for the year March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024	
	FVTPL	Amortised cost
Financial liabilities-Non Current		
Lease liabilities	-	0.24
Financial liabilities-Current		
Borrowings	-	181.89
Lease liabilities	-	0.16
Trade payable	-	193.56
Other financial liabilities	-	7.26
Total financial liabilities	-	383.11
Total financial liabilities	-	383.11

(a) Financial assets measured at fair value - recurring fair value measurements :

(₹ in crore)

Particulars	As at
	March 31, 2024
	Level 2
Financial Assets	
- Assets for foreign currency forward contracts	0.58
Total financial assets	0.58

Fair value of forward contracts determined by reference to quote from financial institutions.

(b) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(c) **Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

33 Financial risk management objectives

The Group's activities expose it to market risk (including foreign currency risk and interest rate risk), liquidity risk and credit risk.



Notes to the financial statements

for the year March 31, 2024

The Group has allotted 7,23,000 convertible warrants of ₹10 each, at a price of ₹5,000 each, which included a premium of ₹4,990 per warrant on November 28, 2023 through preferential issue approved by the Board of Directors on September 23, 2023 and further approved by the shareholders on October 24, 2023 which shall be locked-in upto November 27, 2024. As of now the Group has received subscription amount of 25% of issue price i.e. ₹1,250 per warrant in accordance with the provisions of SEBI (ICDR) Regulations, 2018. Further the aforesaid warrant shall be convertible in to 1,44,60,000 equity shares in ratio of 20:1 of face value of ₹ 1 each within 18 months from the date of allotment.

The Group's risk management is carried out by a treasury department under policies approved by the Board of Directors, The Group treasury department identifies, evaluates and hedges financial risks in close co-operation with The Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions, foreign exchange risk etc.

(a) **Market risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) **Foreign currency risk**

The Group's functional currency is Indian Rupees (₹). The Group undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects The Group's costs of imports, primarily in relation to import of capital goods. The Group is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in The Group's overall debt positions in Rupee terms without The Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in The Group's receivable in foreign currency. In order to hedge exchange rate risk, The Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, The Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months or as deemed appropriate based on market conditions. In respect of imports and other payables, The Group hedges its payable as and when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) The position of foreign currency exposure to the Company as at the end of the year are as follows :

(a) Forward contract outstanding	Buy/Sell	As at March 31, 2024
In USD	Buy	1,85,11,336
Equivalent amount in crore (₹)	Buy	154.39

(2) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise.

(ii) **Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

The Company uses variable interest rates on its interest bearing liabilities. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

Particulars	As at March 31, 2024
Variable rate borrowings	181.89
Total borrowings	181.89

Notes to the financial statements

for the year March 31, 2024

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding :

Particulars	Balance	% of total loans
As at March 31, 2024		
Bank overdrafts, bank loans, Cash Credit	181.89	100%

Sensitivity

Profit or loss (after tax) is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax
	Year ended March 31, 2024
Interest rates – increase by 100 basis points (100 bps)	(1.36)
Interest rates – decrease by 100 basis points (100 bps)	1.36

(b) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Group.

Group's trade receivables are generally categories into following categories:

1. Institutional customers
2. Dealers

In case of sale to institutional customers, certain credit period is allowed. In order to mitigate credit risk, majority of the sales are secured by letter of credit, bank guarantee, post dated cheques, etc.

In case of sale to dealers certain, credit period is allowed. In order to mitigate credit risk, majority of the sales made to dealers are secured by way of post dated cheques (PDC).

Further, Group has an ongoing credit evaluation process in respect of customers who are allowed credit period."

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

(c) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

- (i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows :

Particulars	(₹ in crore)
	As at March 31, 2024
Floating rate borrowings	418.11
Nature of facility	Working Capital

i) Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.



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for the year March 31, 2024

Contractual maturities of financial liabilities :-

(₹ in crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
As at March 31, 2024				
Borrowings (interest bearing)	181.89	-	-	181.89
Lease liabilities (interest bearing)	0.19	0.24	-	0.43
Interest accrued but due on borrowings	1.70	-	-	1.70
Trade payables	193.56	-	-	193.56
Others	5.56	-	-	5.56
Total non-derivative liabilities	382.90	0.24	-	383.14

34 Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	Net Cash flows	As at March 31, 2024
Non-current borrowings	-	-
Current borrowings	181.89	181.89
Total liabilities from financing activities	181.89	181.89

35 Capital management

(a) Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its business expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents.

(₹ in crore)

Particulars	As at March 31, 2024
Non current borrowings	-
Current borrowings	181.89
Less : Cash and cash equivalents	(122.82)
Less : Bank balances other than cash and cash equivalents	(1,003.43)
Net debt	(944.36)
Total equity	1,086.99
Gearing Ratio	(0.87)

Equity includes all capital and reserves of the Company that are managed as capital.

Notes to the financial statements

for the year March 31, 2024

36 Additional Regulatory Information

- (a) The amount due to Micro and small enterprises as defined in "The Micro, Small and Medium Enterprises Development act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below :

(₹ in crore)

Particulars	As at March 31, 2024
(i) The principal amount remaining unpaid to supplier as at the end of the year	1.92
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-
Total	1.92

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

(b) Corporate social responsibility

Based on the provisions of Section 135 of the Companies Act, 2013 ('the Act') read with Schedule VII to the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended, Corporate Social Responsibility is not applicable to the Company.

(c) Financial Ratios as per the Schedule III requirements

Particulars	Change (%)	As at March 31, 2024
(i) Current Ratio	NA**	3.58
Current Ratio = Current Assets / Current Liabilities		
(ii) Debt-Equity Ratio*	NA**	NA
Debt-Equity Ratio = Net Debt(1) / Shareholder's Equity		
(iii) Debt Service Coverage Ratio	NA**	6.29
Debt Service Coverage Ratio = Earnings available for debt service(2) / Debt service(3)		
(iv) Return on Equity Ratio	NA**	5.61%
Return on Equity Ratio= Net Profit after tax /Shareholder's Equity		
(v) Inventory turnover ratio	NA**	37.66
Inventory turnover ratio= Sales / Closing inventory		
(vi) Trade receivables turnover ratio	NA**	31.07
Trade receivables turnover ratio= Sales / Closing trade receivables		
(vii) Trade payables turnover ratio	NA**	27.69
Trade payables turnover ratio= Net purchases / closing trade payables		
(viii) Net capital turnover ratio	NA**	2.60
Net capital turnover ratio= Sales / Working capital		
(ix) Net Profit Ratio	NA**	2.27%
Net Profit Ratio= Profit after tax / Sales		
(x) Return on capital employed	NA**	51.19%
Return on capital employed= Earning before interest and taxes(4) / Capital employed(5)		
(xi) Return on investment	NA**	5.64%
Return on investment= Income generated from invested funds / average invested funds in treasury investments		



Notes to the financial statements for the year March 31, 2024

Explanation of formulas used in calculating ratios :

- (1) Net debt includes borrowings (long term and short term) net of cash & cash equivalents and bank balances.
- (2) Earnings available for debt service includes profit after tax, finance costs, depreciation and other non cash expense.
- (3) Debt service includes finance costs paid and principal repayment of borrowings (long term and short term).
- (4) Earning before interest and taxes includes Profit before tax plus depreciation
- (5) Capital employed includes Tangible net worth (Total assets - total liability - intangible assets), net debt and deferred tax liability.

Note :

* Debt to Equity ratio is not applicable as Net debts is negative.

** The Group prepare Consolidation financial statements first time as the SG Marts FZE (subsidiary) incorporated on January 24, 2024 this year. Accordingly change in ratio from previous year are not applicable.

(d) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(e) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013

(f) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(g) Utilisation of borrowed funds and share premium

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.

(h) Wilful defaulter

The Group has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(i) Details of benami property held

There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(j) Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the reporting years.

(k) Valuation of Property, plant & equipment and intangible asset

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(l) Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(m) Undisclosed income

The Group do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Notes to the financial statements

for the year March 31, 2024

37 Disclosure of additional information as required by Schedule III to the Companies Act, 2013 :

As at March 31, 2024 and for the year ended March 31, 2024								
Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crore	As % of consolidated profit or loss	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of total comprehensive income	₹ in crore
Holding Company								
SG Mart Limited	100.01%	1,087.09	100.17%	61.04	0.00%	-	100.17%	61.04
Wholly owned subsidiary								
Foreign								
SG Marts FZE	-0.01%	(0.10)	-0.17%	(0.10)	0.00%	-	-0.17%	(0.10)
Total	100.00%	1,086.99	100.00%	60.94	0.00%	-	100.00%	60.94
Adjustment due to consolidation		-		-		-		-
Consolidated Net Assets/Profit		1,086.99		60.94		-		60.94

38 During the year, in alignment with the new business activity, name of the Company has been changed from "Kintech Renewables Limited" to "SG Mart Limited" w.e.f. October 6, 2023.

Further its registered office has been shifted from Gujarat state to NCT of Delhi w.e.f. February 12, 2024.

39 The Company has prepared Consolidation Financial Statements first time as its subsidiary, SG Marts FZE, incorporated on January 24, 2024 this year. Accordingly comparative figures of previous year are not applicable.

For **Ashok Kumar Goyal & Co**
 Chartered Accountants
 Firm's Registration No. 002777N

Amit Bansal
 Partner
 Membership No. 506269
 UDIN : 24506269BKADGP9252

Place: New Delhi
 Date: April 16, 2024

For and on behalf of the Board of Directors
SG MART LIMITED

Shivkumar Niranjanaal Bansal
 Whole Time Director
 DIN : 09736916

Suraj Kumar
 Chief Financial Officer

Meenakshi Gupta
 Director
 DIN : 01158825

Sachin Kumar
 Company Secretary
 ICSI M.No. : A61525



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Corporate Office: A-127, Sector-136, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201305

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