

NATH INDUSTRIES LIMITED

(Formerly Known as RAMA PULP AND PAPERS LIMITED)
CIN No. L21010MH1980PLC022820

Regd. Office: Nath House, Nath Road, Aurangabad-431 005, Maharashtra
Admn. Office: 1, Chateau Windsor, 86, Veer Nariman Road, Charchgate, Mumbai-400 020.
Tel.: 22875653/54, Website: www.nathindustries.com E-mail: info@nathindustries.com | investor@nathindustries.com

September 5, 2026

To,
BSE Ltd.,
PJ Tower, Dalal Street,
MUMBAI - 400 001.

Scrip Code: 502587

Dear Sir,

Ref: Regulation 34 of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015

Sub: Notice of 44th Annual General Meeting and Annual Report for the Financial Year 2025-26

We wish to inform that 44th Annual General Meeting (AGM) of the Members of the Company will be held on Wednesday, the 30th September, 2026 at 12:00 p.m. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

We enclose herewith Notice of 44th AGM along with Annual Report for the FY 2025-26 for your records. The 44th AGM Notice and Annual Report are uploaded on the website of the Company at www.nathindustries.com

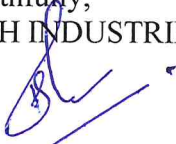
Register of Members and Share Transfer Book of the Company will remain closed from 27th September, 2026 to 29th September, 2026 (both days inclusive) for the purpose of Annual General Meeting.

The cut-off date for reckoning voting of the members is 25th September, 2026. The remote e-voting will be available from 27th September, 2026 (at 9:00 a.m. IST) and ends on 29th September, 2026 (at 5:00 p.m. IST). Voting at AGM is also available through e-voting.

Kindly note that the soft copies of the Notice and Annual Report 2025-26 is being dispatched to the members of the company through e-mail.

Thanking you,

Yours faithfully,
For NATH INDUSTRIES LIMITED



AUTHORISED SIGNATORY

Encl : As above

NATH INDUSTRIES LIMITED

44th ANNUAL REPORT

2025-26

Registered Office Nath House, Nath Road Aurangabad- 431005 Maharashtra Corporate Office 1, Chateau Windsor, 86, Veer Nariman Road, Churchgate, Mumbai – 400 020	Units: i) Rama Paper Plot No. 293-296, Phase II, G.I.D.C., Vapi – 396195 Gujarat. ii) Nath Paper Nath Nagar (north), Village Wahegaon, Taluka Paithan, Dist. Aurangabad. iii) Nath Chemical Plot No. 295, Phase II, G.I.D.C., Vapi – 396195 Gujarat
Directors: Shri Akash Kagliwal Shri Abhaykumar Jain Shri Kashinath Iyer Ganapathy Shri Hitesh Purohit Shri Madhukar Deshpande Ms. Nupur Lodwal Company Secretary: Ms. Nupur Lodwal	Statutory Auditors: N R Agrawal & Co Chartered Accountants
Registrar & Share Transfer Agent: Big Share Services Pvt. Ltd. Office No S6-2, 6 th Floor, Pinnacle Business park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai 400059	Bankers State Bank of India Axis Bank

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 44th **ANNUAL GENERAL MEETING** of **NATH INDUSTRIES LIMITED** will be held on Wednesday, 30th September, 2026 at 12.00 P.M. through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS.

To receive, consider and adopt Audited Balance Sheet of the Company as at March 31, 2026 and Statement of Profit & Loss for the year ended as on that date together with the Report of Directors and Auditors thereon.

2. RE-APPOINTMENT OF DIRECTOR

To appoint Ms. Nupur Lodwal (DIN 10150318) as Director of the Company, who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS:

3. RE-APPOINTMENT OF MR HITESH RAJNIKANT PUROHIT AS AN INDEPENDENT DIRECTOR

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee, and that of the Board, Mr Hitesh Rajnikant Purohit (DIN: 02340858), who holds office as an independent director up to 30th March , 2027, be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of 5 (five) years with effect from 31st March 2027 up to 30th March 2032.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. RE-APPOINTMENT OF MR MADHUKAR DESHPANDE AS AN INDEPENDENT DIRECTOR

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination

and Remuneration Committee, and that of the Board, Mr Madhukar Deshpande (DIN: 07630081), who holds office as an independent director up to 29th May , 2027, be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of 5 (five) years with effect from 30st May 2027 up to 29th May 2032.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution

5. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2026-2027

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on March 31, 2027, amounting Rs. 50,000/- (Rupees Fifty Thousand Only) plus Goods and Service tax and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.nathindustries.com . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA Bigshare Services Private Limited in case the shares are held by them in physical form.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.nathindustries.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com
12. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
13. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 27th September 2026 to 29th September 2026 both days inclusive.

14. As there is special business, hence Explanatory Statements is given herewith this notice, pursuant to Section 102(1) of the Companies Act, 2013 during the year.
15. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/RTA.
16. Ms. Neha P. Agrawal, Company Secretary in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board, can scrutinize the e-voting process in fair and transparent manner.
17. Instruction for E-Voting and joining AGM are as follows:

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

The remote e-voting period begins on 27.09.2026 at 09:00 A.M. and ends on 29.09.2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 25.09.2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being on 25.09.2026.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit

	demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from

NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nehapagrawal@gmail.com with a copy marked to evoting@nsdl.com. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on no.: 022 – 4886 7000 or send a request to Mr Sanjeev Yadav of NSDL Official at evoting@nsdl.com

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

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

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

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

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

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

6. Shareholders who would like to express their views or have questions may send their questions in advance, mentioning their Name, Demat account number, Folio Number, mobile number and e-mail address at (investor@nathindustries.com) from 28th September, 2026 (9:00 a.m. IST) to 29th September, 2026 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

For Nath Industries Limited
Akash Kagliwal
Managing Director
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: investor@nathindustries.com

Date : 31.08.2026

Explanatory Statements, as required by Section 102 of the Companies Act, 2013

3. RE-APPOINTMENT OF MR HITESH RAJNIKANT PUROHIT AS AN INDEPENDENT DIRECTOR

Mr Hitesh Rajnikant Purohit was appointed as an independent director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Appointment Rules”) by the Board, effective 31.03.2022, to hold office up to 30.03.2027. The members at the AGM held on 30.09.2022 had approved the same. He is due for retirement from the first term as an independent director on 30.03.2027. The Nomination and Remuneration Committee (NRC), after taking into account the performance evaluation of Mr Hitesh Rajnikant Purohit during his first term and considering his knowledge, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Mr Hitesh Rajnikant Purohit as an independent director, not liable to retire by rotation, for a second term of 5 (five) years effective 31.03.2027, to 30.03.2032 (both days inclusive). As per Section 149 of the Act, Mr Hitesh Rajnikant Purohit fulfills the requirements of an independent director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations. The Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the reappointment of Mr Hitesh Rajnikant Purohit for the office of independent director under the provisions of Section 149 of the Act. The Company has received all statutory disclosures / declarations from Mr Hitesh Rajnikant Purohit, including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board and based on its evaluation, Mr Hitesh Rajnikant Purohit fulfills the conditions specified in the Act, and Rules made thereunder and LODR Regulations for his

reappointment as an independent director of the Company and he is independent of the Management of the Company.

The Board recommends the Special Resolution set out at Item No 3 of the Notice for approval of members.

4. RE-APPOINTMENT OF MR MADHUKAR DESHPANDE AS AN INDEPENDENT DIRECTOR

Mr Madhukar Deshpande was appointed as an independent director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Appointment Rules”) by the Board, effective 30.05.2022, to hold office up to 29.05.2027. The members at the AGM held on 30.09.2022 had approved the same. He is due for retirement from the first term as an independent director on 30.05.2027. The Nomination and Remuneration Committee (NRC), after taking into account the performance evaluation of Mr Madhukar Deshpande during his first term and considering his knowledge, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Mr Madhukar Deshpande as an independent director, not liable to retire by rotation, for a second term of 5 (five) years effective 30.05.2027, to 29.05.2032 (both days inclusive). As per Section 149 of the Act, Mr Madhukar Deshpande fulfills the requirements of an independent director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations. The Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the reappointment of Mr Madhukar Deshpande for the office of independent director under the provisions of Section 149 of the Act. The Company has received all statutory disclosures / declarations from Mr Madhukar Deshpande, including:

- (iv) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,
- (v) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and
- (vi) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board and based on its evaluation, Mr Madhukar Deshpande fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for his reappointment as an independent director of the Company and he is independent of the Management of the Company.

The Board recommends the Special Resolution set out at Item No 4 of the Notice for approval of members.

ITEM 5

TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR 2025-2026

The Company is directed under the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, to have the audit of its cost records conducted by a Cost Accountant. Further, in accordance with the provisions of Section 148 of the

Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

The Board, on recommendation of the Audit Committee has approved the appointment and remuneration of M/s. , M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership No-30063) as Cost Auditors of the Company to conduct the audit of the cost records of the company for the Financial Year 2026-27 at a fee of Rs. 50,000/- plus applicable taxes and reimbursement of out of pocket expenses, as remuneration.

In pursuance of Section 148 of the Companies Act 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Accordingly consent of the members is sought by way of an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration amounting to Rs. 50,000/- plus applicable taxes and reimbursement of out-of-pocket expenses, as remuneration.

Hence this resolution is put for the consideration of the shareholders.

The Board recommends an Ordinary Resolution set out at Item No 5 in the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the accompanying Notice.

For Nath Industries Limited
Akash Kagliwal
Managing Director
(DIN: 01691724)

CIN: L21010MH1980PLC022820

Registered Office:

Nath House, Nath Road, Aurangabad 431 005.

Email: investor@nathindustries.com

ANNEXURE:-**DETAILS OF DIRECTORS SEEKING APPOINTMENT AT ANNUAL GENERAL MEETING**

NAME OF DIRECTOR	Mr. Hitesh Rajnikant Purohit
Date of Birth	25.06.1963
Qualification	B.com
Expertise in specific Functional areas	Wide Business experience across variety of industries
Director in other Public Companies	1. Agri-Tech (India) Ltd 2. Techindia Nirman Ltd 3. Nath Bio-Genes (India) Limited 4. NCFS Limited
Chairman/ Member of Committees of other Companies	1. Agri-Tech (India) Ltd 2. Techindia Nirman Ltd 3. Nath Bio-Genes (India) Limited
No of shares held in the Company	NIL

NAME OF DIRECTOR	Mr. Madhukar Deshpande
Date of Birth	01.04.1957
Qualification	B.com
Expertise in specific Functional areas	Wide Business experience in the field of Processing, Stores, Logistics, quality assurance across variety of industries.
Director in other Public Companies	1. Agri-Tech (India) Ltd 2. Techindia Nirman Ltd 3. Nath Bio-Genes (India) Limited
Chairman/ Member of Committees of other Companies	1. Agri-Tech (India) Ltd 2. Techindia Nirman Ltd 3. Nath Bio-Genes (India) Limited
No of shares held in the Company	NIL

DIRECTORS' REPORT

Dear Shareholders,

We have the pleasure in presenting the 44th Annual Report of the Company and the audited statement of accounts for the year ended 31st March, 2026.

FINANCIAL PERFORMANCE

A summary of the financial results is given below:

(Rs. In Crores)

FINANCIAL RESULTS		
Particulars	Year Ended	
	31.03.2026	31.03.2025
Total Income	494.87	427.47
Profit before Interest & Depreciation	29.21	34.67
Interest & Depreciation	19.87	21.69
Profit before Tax	9.34	12.98
Provision for Taxes	2.67	3.24
Surplus for the year	6.67	9.74
Other Comprehensive Income	-0.49	-1.46
Total comprehensive Income for the year	6.18	8.28
Earnings per Share (Rs.)	3.51	5.12

REVIEW OF OPERATIONS

The company is operating mainly two segments

- 1) **Paper and**
- 2) **Industrial Chemicals.**

With profound happiness, we inform that the company has achieved highest ever total income of Rs 495 Cr in FY 2025-26 despite extraordinary turbulence in the global economy viz Imposition of tariff by USA and outbreak of war between USA-Israel and Iran. The total income rose from Rs 427 Cr to Rs 495 Cr, an increase by 16%. However, EBIDT was reduced from Rs 34.67 Cr to Rs 29.21 Cr because of supply chain disruptions, elevated input prices, cancellation – postponement-renegotiation of export orders because of high tariffs and war. It resulted in pressure on profit margins in FY 2025-26.

The contribution of paper division and chemical division in total turnover of the company is now 60.43: 39.57 respectively. The imposition of tariffs, chocking of shipping lines and non-coverage of insurance on certain routes impacted export turnover of paper division adversely. The company could achieve export turnover of Rs 36.38 Cr in FY 2025-26.

The company made investment in energy saving projects in 2023-24 because of which it is able to restrict its energy cost at 8.77% as compared to 8.34% in previous year despite increase in the prices of fuels and it will continue to help in managing energy cost.

PAPER DIVISION

The operations of paper division were impacted majorly because of imposition of reciprocal and penal tariff upto 50% by USA on Indian products in Aug 2025 which was already facing sluggish demand. The tariff levied on India was significantly high as compared to competing nation Indonesia and China which gave them undue advantage over India. It led to cancellation, postponement and renegotiation and resulted in pressure on pricing and margins. Imposition of tariffs also disrupted shipping volumes, logistic demand resulted in increased freight rates thereby impacting export operations. With the slow- down in exports, the volumes had to be diverted in domestic market which are already flooded with competitive imports from China and Indonesia. Despite these sudden challenges, the paper division achieved turnover of Rs 296 Cr as compared to Rs 285 Cr in previous year because of its customise and specialty paper offerings.

The company has successfully launched premium grade in Absorbent Kraft named Platinum during the year which is used in high grade laminates. The acceptance of platinum grade in export market is encouraging and expect significant share of Platinum grade in exports in coming years.

CERTIFICATIONS

Certifications and awards glorify the Company's journey towards efficiency improvement and excellence in quality and service to achieve that reputation, beside it also defines company's commitment and responsibility to live up to those standards. Nath industries Ltd has been consistently moving on this path.

Company's determination to follow nearly perfect quality process efficiency and data driven approach has won numerous awards like ISO 9001; 2015 for Total Quality Management System and ISO 14001;2015 for Environment Management System alongside the Globally acknowledged FSC COC certification for responsible forestry conservation and biodiversity protection. For its export orientation, Company also obtained the prestigious status of Star Export House.

The excellent and outstanding efforts and achievements to enhance its share in overseas markets with its quality products have added few more feathers in the crown of your company like Export Excellence Award in Multi Products Category for three years consecutively for year 2018-2019, year 2019-2020 and year 2020-2021. This recognition places the company in position of proud Global leadership in related key paper segments.

PRODUCTS AND NEW PRODUCTS LAUNCH

The present core products range of Absorbent Kraft, Commercial Bag Kraft (CBK), MG White Tissue, Colour tissue and Gift Tissue is established and accepted Globally. Now the Quality credentials of newly added in kitty the Roti Wrap, Masking Paper, Premium range of Soft and Facial tissues and Gypsum Board are all set to be launched in markets to enrich the revenue inflow of the company. Good returns and an edge over quality of competitors will ensure the remarkable growth with assured benefits in this segment. Last year the company had successful launched the Brown kraft Paper with wet strength for food packing bags. The product is

becoming popular and acceptable with every passing day. Company's Shoppers Bags Kraft in related category is also now established in Domestic and Overseas markets, contributing considerably in Company's revenue Growth.

It is inevitable to mention other niche products produced by Company such as One Time Carbon Base Paper and print Barrier paper, Padding Paper are already moving well and accepted widely in related markets.

24x7uninterrupted R&D work to develop new products is all set to open new scopes and aspirations, to add up higher revenue and reputed space to the company in near future.

MARKETING STRATEGIES

Eco-friendly papers, sustainable forestry, and low carbon footprint is the basic ideology we follow as a company.

Self-reliance & Upgradation, leveraging India's growing paper market, better raw material access, and competitive pricing helped the company in achieving its results. Govt's BIS Quality Control Order (QCO) is further driving quality standards. Company's focus is set to achieve specific objectives and business goals by effective marketing strategies to channelise and increase its sales and revenues.

Consistency in quality and sales after service per excellence ensures good returns and contribute in retaining the market share.

Global Trade Dynamics prompt us to create opportunities to become more self-reliant and cost-competitive. Govt incentives and import restrictions are supporting domestic producers.

Distribution expanded, policy-driven nationwide dealer network ensuring consistent volumes. New synergic launches in Gift Wrap Tissue and Laminate-grade Kraft are strengthening our portfolio.

Company's main Strategy Pillars are =

Product: Aligned to customer/consumer needs

Price: Competitive and sustainable.

Promotion: Strong distribution and associated channel partners

CHEMICAL DIVISION

UNIT-NATH CHEMICAL

The chemical division recorded turnover of Rs 194 Cr as compared to Rs 138 Cr recorded in previous year. The overall chemical industry faced multifold challenges in FY 2025-26 back to back. Imposition of tariff and penal tariff for importing Russian oil and thereafter the outbreak

of war disrupted the overall chemical industry in multiple ways. Increased tariff disrupted the export which in turn impacted the manufacturing in India. Chocking of shipping routes created shortage of chemical which led to abnormal volatility in the prices of chemical. Lack of availability coupled with abnormally increased prices impacted not just the chemical but overall industry. It took time to pass on the increase in price of raw materials as the increase was sudden and unanticipated.

To counter the impact of pricing volatility and raw material unavailability, various initiatives were taken by the Government viz suspending exports of key chemicals and prioritising the supplies to domestic industry, exemption of custom duty on key industrial petrochemicals and increase in subsidies which helped in stabilising the price as well as availability.

Every industry took time to absorb the abnormal price increase which also led to impact demand for some time. However gradually the market absorbed the prices hikes. The industries now have stabilized after facing the aftermath of the above events and company is hopeful that coming year will be good for chemical division.

DIVIDEND

In view of the Company's proposed growth plans and future investment requirements, the Board of Directors considers it prudent to retain the profits within the business and, accordingly, does not recommend any dividend for the year.

TRANSFER TO RESERVES

The entire retained earnings of Rs.6.67 Crore as on 31st March 2026 have been retained without any transfer to any specific reserve.

SUBSIDIARY COMPANY, JOINT VENTURE OR ASSOCIATE COMPANIES

As on 31.03.2026, Company doesn't have any Subsidiary, Joint Venture and Associate Company.

PUBLIC DEPOSIT

During the year under review, the Company has not accepted any public deposits falling within the purview of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

Annual Return in Form No. MGT-9 of the Company for the year under review has been made available on the Company's website at www.nathindustries.com and is also annexed to the Board's Report as **Annexure-I**.

CORPORATE GOVERNANCE

The Company reaffirms its commitment to the highest standards of Corporate Governance practices to comply with the applicable laws, rules and regulations and forms part of this report and given in Annexure- II.

NUMBER OF MEETINGS HELD DURING THE YEAR

Five Board meetings were held during the financial year 31st March 2026. The details of the Board meetings and Committee meetings held during the year is given in Para 2 of Annexure-II.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Provisions of Sec 135 of the Companies Act, 2013 related to Corporate Social Responsibility (CSR), the amount of CSR required to be spent for the FY 2025-26 is Rs. 8.73 Lakhs which has already been spent by the Company. The initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure-III** which is part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is made in conformity with Regulation 34(2)(e) of SEBI (LODR) Regulations, 2015 and is attached to the Board's Report forming part of the Annual Report of the Company and given in Annexure- IV.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made there under, Ms Nupur Lodwal (DIN 10150318) Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer herself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting. The Board of Directors recommends the re-appointment of Ms Nupur Lodwal as a Director of the Company.

Mr Hitesh Rajnikant Purohit (DIN 02340858) was appointed as an independent director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Appointment Rules") by the Board, effective 31.03.2022, to hold office up to 30.03.2027. The members at the AGM held on 30.09.2022 had approved the same. He is due for retirement from the first term as an independent director on 30.03.2027. The Nomination and Remuneration Committee (NRC), after taking into account the performance evaluation of Mr Hitesh Rajnikant Purohit during his first term and considering his knowledge, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Mr Hitesh Rajnikant Purohit as an independent director, for your approval for a second term of 5 (five) years effective 31.03.2027, to 30.03.2032 (both days inclusive).

Mr Madhukar Deshpande (DIN 07630081) was appointed as an independent director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Appointment Rules") by the Board, effective 30.05.2022, to hold office up to 29.05.2027. The members at the AGM held on 30.09.2022 had approved the same. He is due for retirement from the first term as an independent director on 29.05.2027. The Nomination and Remuneration Committee (NRC), after taking into account the

performance evaluation of Mr Madhukar Deshpande during his first term and considering his knowledge, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Mr Madhukar Deshpande as an independent director, for your approval for a second term of 5 (five) years effective 30.05.2027, to 29.05.2032 (both days inclusive).

The Company has received declarations from all the Independent Directors of the Company in terms of Section 149(7) of the Act, confirming that they meet criteria of independence as prescribed under section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, 2015.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts for the year ended March 31, 2026, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2026 and of the Profit of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished in Annexure - V. None of the employees including Managing Director and Whole Time Directors have received remuneration exceeding the limits set out in Section 197(12) of the Companies Act 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EVALUATION OF BOARD

As required, the Nomination and Remuneration Committee of Directors has established a structured framework for the effective evaluation of the performance of the Board, its

committees, and individual Directors (including Independent Directors) in compliance with the provisions of the Act and the Listing Regulations. The Board ensures the formation and monitoring of a robust evaluation process covering individual Directors, including the Chairman, the Board as a whole, and its various Committees.

Accordingly, the Board of Directors has made formal annual evaluation of its own performance and that of its committees and individual Directors (including Independent Directors) in accordance with the manner specified by the Nomination and Remuneration Committee of Directors.

The performance of the Board was evaluated based on inputs from all Directors, considering criteria such as the adequacy of its composition and structure, the effectiveness of board processes, the availability of information, and overall functioning. Similarly, the Board assessed the performance of its committees after seeking inputs from Committee Members, evaluating factors such as the composition of Committees, adherence to their terms of reference, effectiveness of meetings, and the active participation of members.

The evaluation of individual Directors, including Independent Directors, was conducted based on criteria such as attendance, active participation, and contributions during Board and Committee meetings, as well as the exercise of their duties with due care, skill, and diligence. The manner in which evaluation was carried out is mentioned in the Corporate Governance Report.

INTERNAL CONTROL SYSTEM

The Company is committed to maintaining a robust and effective internal control framework across all offices, plants, and key functions. This ensures a structured system for business planning, goal review, risk evaluation and management, financial reporting, regulatory compliance, asset protection and fraud prevention. These controls are continuously refined to align with evolving business needs, regulatory changes, and industry best practices, ensuring transparency, accountability, and operational excellence.

The Internal Auditors of the Company conduct financial, compliance and process improvement audits each year. The Audit Committee oversees the scope and evaluates the overall results of these audits, and members of that Committee regularly attend meetings of Board of Directors. The Audit Committee also reviews the adequacy and effectiveness of the internal control system and invites functional Directors and senior management personnel to provide updates on operating effectiveness and controls, from time to time. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies, if any, to the Audit Committee and rectify the same.

The information about the Internal Control System and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The provisions of Section 177(9) and (10) of the Companies Act, 2013 mandates every listed company to establish vigil mechanism for Directors and employees. The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to all the

employees of the Company to raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company or society as a whole. No concerns or irregularities have been reported by employees/directors till date.

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee from time to time. The Whistle Blower Policy is available on the Company's website www.nathindustries.com. None of the Company's personnel have been denied access to the Audit Committee.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The has taken various initiatives to ensure a safe and healthy workplace for its women employees. The Company has zero tolerance of sexual harassment at the workplace and is fully compliant with the prevailing laws on the prevention of sexual harassment of women at the workplace. The Internal Complaint Committee is set up by the Company to redress the complaints of women employees.

In FY 2025-26, no complaints were filed with the ICC nor any complaint is pending at the year end.

RISK MANAGEMENT POLICY

The Company recognises that operating in a dynamic business environment naturally involves certain unavoidable risks. It has established a comprehensive risk management framework to address these challenges. This proactive approach helps mitigate complacency, acknowledges inherent limitations, and employs targeted strategies to manage various risk categories.

The Board of Directors have designed risk management policy for the company which consist of identification of elements of risks which may threaten the existence of the Company as per the provisions of Section 134(3) of the Companies Act, 2013. The detailed policy forms part of the Annual Report and it is given in **Annexure IV**.

STATUTORY INFORMATION

The Company is operating in Paper and Chemical business and is the member of BSE Platform.

STATUTORY AUDITORS

The members, in the 41st Annual General Meeting held on 29th September, 2023, appointed M/s N R Agrawal & Co, Chartered Accountants, Mumbai (having Firm Registration No.100143W) as Statutory Auditors of the Company for a period of five years upto the conclusion of the 46th Annual General Meeting.

COST AUDITOR

The Board has appointed M/S RAJA DUTTA & CO, Cost Accountants (Firm Registration no. 101555, Membership no-30063, PAN no- AJDPD6775F) Daman for the financial year 2026-27. Company has maintained Cost record and conducted cost audit as specified by Central Government under Section 148 (1) of Companies Act, 2013.

SECRETARIAL AUDITOR

The members, in the 43rd Annual General Meeting held on 19th September, 2025, appointed Neha P Agrawal, Practicing Company Secretaries (1304/2021), Aurangabad as Secretarial Auditors of the Company for a period of five years upto the conclusion of the 48th Annual General Meeting .

AUDITORS REPORT

The observations made by the Auditors in their Report on the Accounts and the Financial Statements, read together with the relevant Notes to Accounts, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, pursuant to Section 143(12) of the Companies Act, 2013, the Auditors have not reported any matter relating to fraud during the year under review. Accordingly, no details are required to be disclosed under the said section.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended 31st March 2026, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length and were in compliance with the applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Since all transactions with Related Parties were entered into in the ordinary course of business and on an arm's length basis, the provisions relating to disclosure of such transactions in Form AOC-2 under Section 134(3)(h) read with Section 188 of the Companies Act, 2013 are not applicable to the Company.

Details on the nature and materiality of related party transactions and policy framed by the Board is included in The Corporate Governance Report in Annexure-____

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans given, guarantees or securities provided and investments made in terms of the provisions of Section 186 of the Act and the purpose for which the loans/guarantees/securities are proposed to be utilised are given in notes to the financial statements.

INSURANCE

All the properties and the insurable interest of the Company including building, plants and machineries and stocks wherever necessary and to the extent required have been adequately insured.

RESEARCH & DEVELOPMENT

The Company always believed that continuous Research in the field of product development, cost reduction has helped the company in establishing itself as a leader in the field of Customized Speciality paper manufacturers, meeting the desired quality within permissible cost budgets.

ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R& D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below:

(A) Conservation of Energy

The Company recognizes that efficient energy consumption is not only essential for improving operational efficiency but also plays an important role in mitigating the impact of global warming and climate change. Accordingly, the Company continues to undertake appropriate measures to conserve energy, improve energy efficiency and reduce overall energy consumption. In this regard, various key initiatives taken by the Company are outlined below:

- i. Solar Power Plant at Paithan is generating around 18,00,000 units as a step towards green energy. In addition the company is further exploring putting up the solar energy in its Vapi plant.
- ii. After enhancement of capacity of Sulphuric Acid plant, Unit Nath Chemical has surplus steam generation even after meeting its power and steam requirement which is being used in its unit Rama paper, thereby saving huge coal consumption. Further the negotiations are under way for export of surplus steam to potential customer which will fulfil their steam requirement thereby conserving the nature.
- iii. The process of replacing the old cables and process parameter optimization, the electricity consumption per unit of Paper and Chemical has also reduced.

(B) Technology Absorption and Research Development

During the year, company has performed various research and development activities for development of paper grades. Platinum grade in Absorbent Kraft having ash content of 2% will be launched during the year. Even on raw-material part, variety of combinations of furnishes were tested and developed which has helped in controlling the cost without compromising the quality of the finished product.

Installation of pepsi pulp street has replaced the usage of hard wood pulp with paper cups which has also helped in conserving the nature and requirement for hardwood pulp.

(C) Foreign Exchange Earnings and Outgo

The Company has incurred the following expenses in foreign currency during the financial year 2025-26. The rupee equivalent of that amount has been given hereunder:

Particulars	Rs. In Crores
Total Earnings	36.38
Total Expenditure	93.54

ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation and gratitude to the employees of the Company for their continued commitment, dedication, support and cooperation, which have contributed significantly to the Company's performance and achievement of its objectives during the year under review.

The Board also acknowledges with gratitude the continued support, cooperation and confidence extended by the Company's customers, suppliers, financial institutions, regulatory authorities, investors and other stakeholders during the year under review. The Board looks forward to their continued support and association in the years ahead.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2026

Akash Kagliwal
Managing Director
(DIN:01691724)

Annexure – I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2026
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION AND OTHER DETAILS:-

i	CIN	L21010MH1980PLC022820
Ii	Registration Date	09.07.1980
Iii	Name of the Company	Nath Industries Limited
Iv	Category/Sub-category of the Company	Limited by Shares
V	Address of the Registered office & contact details	Nath House, Nath Road, Aurangabad 431005
Vi	Whether listed company	Listed
Vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt Ltd. 1 st Floor, Bharat Tin Works Bldg., Opp Vasant Oasis, Makwana Road, Andheri (East), Mumbai - 400 059.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
i	Paper	Group-170	60
Ii	Chemical	Group-202	40

III PARTICULARS OF HOLDING, SIBSIDIARY AND ASSOCIATE COMPANIES:-

Company is not having any holding, subsidiary and associates companies.

IV. SHARE HOLDING PATTERN as on 31st March 2026
(i) Category wise shareholding

Category of Shareholders		No. of shares at the beginning of the year (As on 01.04.2025)				No. of shares at the end of the year (As on 31.03.2026)				% Of change during the year
		Demat	Physical	Total	% Of total shares	Demat	Physical	Total	% Of total shares	
(A)	Promoter									
1	Indian									
(a)	Individuals/ HUF	753	350	1103	0.00	753	350	1103	0.00	0.00
(b)	Central Govt.	0	0	0	0	0	0	0	0	0.00
(c)	Bodies Corporate	14002962	0	14002962	73.71	14002962	0	14002962	73.71	0.00
(d)	FI/ Banks	0	0	0	0	0	0	0	0	0.00
(e)	Any Others	0	0	0	0	0	0	0	0	0.00
	Sub Total(A)(1)	14003715	350	14004065	73.71	14003715	350	14004065	73.71	0.00
2	Foreign									
A	Individuals (NRI)	0	0	0	0	0	0	0	0	0.00
B	Bodies Corporate	0	0	0	0	0	0	0	0	0.00
C	Institutions	0	0	0	0	0	0	0	0	0.00
D	QFI	0	0	0	0	0	0	0	0	0.00
E	Any Others	0	0	0	0	0	0	0	0	0.00
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.00
	Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	14003715	350	14004065	73.71	14003715	350	14004065	73.71	0.00
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds / UTI	2740	4923	7663	0.04	2740	4923	7663	0.04	0.00
(b)	FI/ Banks	26865	5891	32756	0.18	26865	5891	32756	0.17	0.00
(c)	Alternative Investment Fund	0	0	0	0	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
(f)	FII's	0	0	0	0	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0
(h)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0.00	0
(i)	Any Other	0	0	0	0	0	0	0	0.00	0

(i-ii)	Overseas Bodies Corporate	0	0	0	0	0	0	0	0.00	0
	Sub-Total (B)(1)	29605	10814	40419	0.22	29605	10814	40419	0.22	0.00
B 2	Non-institutions									
(a)	Bodies Corporate	1821089	5486	1826575	9.61	1821089	5486	1826575	9.61	0.00
(b)	Individuals									
I	Individual shareholders holding share capital up to Rs 1 lakh	1799866	116641	1916507	10.09	1799866	116641	1916507	10.09	0.00
II	Individual shareholders holding share capital in excess of Rs. 1 lakhs.	978212	0	978212	5.15	978212	0	978212	5.15	0.00
(c)	Trust	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other	0	0	0	0	0	0	0	0	0
(d-i)	NRI	75724	1949	77673	0.41	75724	1949	77673	0.41	0.00
(d-ii)	Clearing Member	3524	0	3524	0.02	3524	0	3524	0.02	0.00
(d-iii)	HUF	136104	0	136104	0.73	136104	0	136104	0.73	0.00
(d-iv)	Employees	0	1122	1122	0.01	0	1122	1122	0.01	0.00
	Sub-Total (B)(2)	4830318	129033	4955516	26.07	4830318	129033	4955516	26.07	0.00
(B)	Total Public Shareholding (B) = (B)(1) + (B)(2)	4859923	136012	4995935	26.29	4859923	136012	4995935	26.29	0.00
	TOTAL (A)+(B)	18863638	136362	19000000	100.00	18863638	136362	19000000	100.0	0.00
(C)	Shares held by Custodians for ADRs and GDRs									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (C)	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	18863638	136362	19000000	100.00	18870846	129154	19000000	100.0	0.00

(ii) Share Holding of Promoters:

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.Nandkishor Kagliwal	480	0.00	-	480	0.00	-	-
2.Jeevanlata N. Kagliwal	213	0.00	-	213	0.00	-	-
3.Subhash Kagliwal	25	0.00	-	25	0.00	-	-
4.Mrs Sweta Kagliwal	180	0.00	-	180	0.00	-	-
5.Akash Kagliwal	181	0.00	-	181	0.00	-	-
6.Anil Kagliwal	24	0.00	-	24	0.00	-	-
7.NCFS Limited	823	0.01	-	823	0.01	-	-
8.Paresh Farms Pvt. Ltd	20364	0.11	-	20364	0.11	-	-
9.Prabha Farms Pvt. Ltd	32089	0.17	-	32089	0.17	-	-
10.Jeevan Farms Pvt. Ltd	82132	0.44	-	82132	0.44	-	-
11.Akash Farms LLP	6927809	36.46	-	6927809	36.46	-	-
12.Ashu Farms LLP	5939745	31.26	-	5939745	31.26	-	-
13.Tapovan Paper and Board Mills Ltd	1000000	5.26	-	1000000	5.26	-	-
Total	14004065	73.71	-	14004065	73.71	-	-

(iii) Change in Promoter's shareholding: -

	No of Shares	% Holding
At the beginning of the year	14004065	73.71
At the end of the year	14004065	73.71

(iv) Shareholding Pattern movement of top 10 Share Holders (Other than Director, Promoters & Holders of GDR & ADRs)

Sr No	Name	No. of Shares at the beginning of the year	% of total shares of the company	No. of Shares at the end of the year	% of total shares of the company
1	Mayo Farm LLP	977419	5.14	977419	5.14
2	Tapovan Farms LLP	412901	2.17	412901	2.17
3	Malpani Financial Services Limited	125516	0.66	125517	0.66
4	Adesh Venture LLP	244798	1.29	244798	1.29
5	Babalbhai Manilal Patel.	51077	0.27	157834	0.83
6	Kailasben Ashokkumar Patel	103077	0.54	142083	0.75
7	Dineshkumar Jain	91907	0.48	91237	0.48
8	Nitaben Dahayabhai Patel	14524	0.08	85047	0.45
9	Purv Dipakkumar Patel	15495	0.08	52762	0.28
10	Madhav Sarda	50000	0.26	50000	0.26
11	Kiran Rashmin Rughani	0	0.00	50000	0.26

(v) **Shareholding of Directors & KMP: -**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
. Akash N Kagliwal	181	0.00	-	181	0.00	-	-
Total	181	0.00	-	181	0.00	-	-

V. INDEBTEDNESS:

Indebtedness of the company including interest outstanding /accrued but not due for Payment:

Rs. In Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the Beginning of the financial Year				
i)Principal Amount	75.20	48.92	-	124.12
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	75.20	48.92	-	124.12
Changes during financial year				
Addition	-	5.64	-	5.64
(Reduction)	(6.64)	-	-	(6.64)
Net Change	(6.64)	5.64	-	(1.00)
Indebtedness at the end of the Financial year				
i)Principal Amount	68.56	54.56	-	123.12
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	68.56	54.56	-	123.12

VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director /Whole Time Director and /or Manager

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Akash Kagliwal (Managing Director) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	60.00

	Total 1	60.00
2	Abhaykumar Jain (Director) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	29.85
	Total 2	29.85
3	Ms Nupur Lodwal Director Cum Company Secretary a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	2.64
		2.64
	Grand Total 1 to 3	92.49

B. Remuneration to other directors:

NIL

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

Sr. No.	Particulars of remuneration	Rs in Lakhs
1	Vijay Saboo (CFO) a)Salary as per provisions contained in section 17(1) of the Income Tax Act 1961 b)Value of perquisites u/s 17 (2) of the Income Tax Act 1961 Profits in lieu of salary u/s 17 (2) of the Income Tax Act 1961	48.00
	Total 1	48.00

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT: -

There are no Penalties / Punishment/ Compounding of offences against the company / its directors / other officers in default during the year.

Annexure - II

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance is an integral part of the Company's approach to conducting its business and encompasses the systems, processes, policies and practices by which the Company is directed and managed. The Company believes that sound Corporate Governance promotes a culture of integrity, transparency, accountability and responsible decision-making, thereby fostering sustainable growth and enhancing stakeholder confidence.

The Company's Corporate Governance framework reflects its core values and commitment to ethical business practices. The Company strives to maintain the highest standards of integrity, transparency and accountability in all its business activities and interactions with its stakeholders.

The Company believes that its affairs should be conducted in a fair, transparent and ethical manner, with due regard to the interests of all stakeholders. The Company is committed to complying with applicable laws, rules and regulations and to adopting appropriate systems and processes that ensure responsible management and effective oversight.

Corporate Governance encompasses the interests of all stakeholders, including shareholders, customers, suppliers, creditors, bankers, employees, regulatory and governmental authorities and society at large. The Company recognises that accountability, transparency and equitable treatment of stakeholders are fundamental principles of good Corporate Governance.

The fundamental objective of the Company's Corporate Governance practices is to promote sustainable value creation and enhance long-term shareholder value while safeguarding the legitimate interests of all other stakeholders.

In the above context, the Company's Philosophy on Corporate Governance is:

To establish appropriate systems and processes that provide the Board of Directors and Management with adequate freedom to take informed decisions, foster innovation and pursue the Company's growth, while ensuring effective accountability and oversight.

To ensure transparent and timely corporate disclosures and maintain high standards of financial reporting and accounting practices in accordance with applicable laws, rules and regulations.

To ensure timely and proper dissemination of material information, including price-sensitive information, in accordance with applicable laws and regulations, and to prevent trading in the securities of the Company by designated persons/insiders while in possession of unpublished price-sensitive information.

To adopt and continuously strengthen sound Corporate Governance practices that promote operational efficiency, sustainable growth and long-term value creation for shareholders, while contributing positively to the broader economy.

The Company has adopted a Code of Conduct applicable to all its employees, including the Managing Director. The Company has also adopted a separate Code of Conduct for its Non-Executive Directors, which incorporates the duties and responsibilities of Independent Directors as prescribed under the Companies Act, 2013, and the rules made thereunder.

The Codes of Conduct are aimed at promoting ethical conduct, integrity, accountability and responsible business practices across the organisation. The Codes are available on the Company's website www.nathindustries.com

2. BOARD OF DIRECTORS AND BOARD MEETINGS:

The composition of the Board of Directors is structured to ensure an appropriate mix of experience, expertise and competencies across various areas, including industry, management, finance and legal matters. The Board provides effective leadership and oversight to ensure that the Company is managed in a balanced and responsible manner, with due regard to the interests and aspirations of all stakeholders, while pursuing sustainable growth and maintaining high standards of Corporate Governance.

The Board is supported by various Committees, which assist the Board in discharging its responsibilities effectively. The Committees function in accordance with their respective Terms of Reference and diligently undertake the responsibilities entrusted to them by the Board, including making appropriate recommendations for the consideration and approval of the Board.

As on 31st March, 2026, the Board of Directors of the Company comprises three Executive Directors and three Non-Executive Independent Directors. The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the composition of the Board of Directors, along with the details of other directorships held by the Directors during the financial year under review, are set out below:

Name	Category	No of outside Directorship held in Public Limited Companies	Committee Member ship	Committee Chairman ship
Mr Akash Kagliwal	Managing Director	1	-	-
Mr. Abhaykymar Jain	Executive Director	-	-	-
Mr Kashinath Iyer Ganpathy	Non-Executive & Independent Director	1	4	1
Mr. Hitesh Purohit	Non-Executive & Independent Director	3	4	
Mr Madhukar Deshpande	Non-Executive & Independent Director	-	-	-
Ms. Nupur Lodwal	Executive/woman Director and Company Secretary	1	1	-

3. Meeting and Attendance record of each Director

During the year ended 31st March 2026, Five meetings of the Board were held on the following date:

(1) 30.05.2025 (2) 12.08.2025 (3) 14.11.2025 (4) 10.02.2026 (5) 28.03.2026

The attendance record of the Directors at the Board Meetings held during the year ended 31st March, 2026 and the last Annual General Meeting (AGM) of the Company are as under:

Name of the Director	Board Meetings	Last AGM (Y/N)
Mr. Abhaykumar Jain	5	Yes
Mr Kashinath Iyer Ganpathy	5	Yes
Mr Hitesh Purohit	5	Yes
Mr Madhukar Deshpande	5	Yes
Mr Akash Kagliwal	5	Yes
Ms. Nupur Lodwal	5	Yes

4. Audit Committee:

The Audit Committee is constituted in line with provisions of Corporate Governance of Listing Regulation read with Section 177 of the Companies Act 2013.

Composition, attendance and dates of Meetings:

During the financial year 2025-26, Composition of Audit Committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Kashinath Iyer Ganpathy	Chairman	4
Shri Abhaykumar jain	Member	4
Shri Hitesh Purohit	Member	4

During the Financial Year 2025-26, Four Meetings of the Audit Committee members were held on the following dates:

(1) 30.05.2025 (2) 12.08.2025 (3) 14.11.2025 (4) 10.02.2026 .

Terms of reference:

The Terms of Reference of the Audit Committee are in accordance with the applicable provisions of Section 177 of the Companies Act, 2013, read with the rules made thereunder, and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee, inter alia, oversees the Company's financial reporting process and the disclosure of financial information to ensure accuracy, transparency and credibility. The Committee reviews, with the Management, the quarterly and annual financial statements before their submission to the Board for consideration and approval.

The Committee also reviews the performance, independence and effectiveness of the Statutory and Internal Auditors, the adequacy and effectiveness of the internal control systems, and such other matters as may be entrusted to it by the Board from time to time or as prescribed under applicable laws and regulations.

5. Corporate Social Responsibility Committee (CSR) :

The CSR Committee is constituted in line with provisions Section 135 of the Companies Act 2013.

Composition, attendance and dates of Meetings:

During the financial year 2025-26, Composition of CSR Committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Shri Kashinath Iyer Ganpathy	Member	Two
Mr Akash Kagliwal	Member	Two

During the Financial Year 2025-26, Two Meetings of the CSR Committee members were held on (1) 30.05.2025 and (2) 28.03.2026.

Terms of reference:

The role of the committee shall, inter-alia include the following:

- i. Formulate and recommend to the Board the Corporate Social Responsibility Policy, including the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;
- ii. Recommend to the Board the amount of expenditure to be incurred on the activities undertaken pursuant to the Corporate Social Responsibility Policy; and
- iii. Monitor and review the implementation of the Corporate Social Responsibility Policy and the activities undertaken thereunder from time to time.

6. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been constituted in accordance with the applicable provisions of Section 178 of the Companies Act, 2013, read with the relevant rules made thereunder, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition, attendance and dates of Meetings:

During the financial year 2025-26, Composition of nomination and remuneration committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Mr Madhukar Deshpande	Member	Two
Shri Kashinath Iyer Ganpathy	Member	Two

Meetings and Attendance during the year:

During the Financial Year 2025-26, Two Meetings of the Committee were held on 30.05.2025 and 28.03.2026.

Terms of reference

The Nomination and Remuneration Committee is entrusted with the responsibility of ensuring an appropriate composition of the Board and senior management and aligning remuneration practices with the Company's objectives and long-term interests. The Committee shall, inter alia:

- a. Formulate and recommend to the Board the criteria for determining the qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- b. Identify and recommend to the Board, persons who are qualified to become Directors and who may be appointed in senior management positions, based on the criteria laid down by the Committee, and recommend their appointment or removal;
- c. Formulate criteria for evaluation of the performance of the Board, its Committees and individual Directors, including Independent Directors, and recommend the evaluation process to the Board;
- d. Devise and periodically review the policy on Board diversity and recommend measures for ensuring an appropriate balance of skills, experience, knowledge and competencies on the Board;
- e. Evaluate the balance of skills, knowledge, experience and competencies on the Board and, in light of such evaluation, prepare a description of the roles and capabilities required for appointment of a Director;
- f, recommend to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and senior management, as applicable, in accordance with the Company's remuneration policy and applicable laws; and
- g. Carry out such other functions and responsibilities as may be assigned to the Committee by the Board from time to time or as may be prescribed under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations.

The formal annual evaluation of the Board and its committees and Individual Directors is done on the basis of the criteria formulated by the Nomination and Remuneration Committee.

Details of Remuneration to all the Directors and/or Managers

Particulars of Remuneration	Shri Akash Kagliwal – Managing Director	Shri Abhaykumar Jain Executive Director	Shri Hitesh Purohit Independent Non – Executive Director	Shri Kashinath Iyer- Independent – Non – Executive Director	Shri Madhukar Deshpande – Independent Non-executive Director	Ms. Nupur Lodwal- Director and Company Secretary	Shri Vijay Saboo CFO
Salary as per Provisions of Section 17(1) of I.T.Act,1961	60.00	29.85	NIL	NIL	NIL	2.64	48.00
Perquisites as per Provisions of Section 17(2) of I.T.Act,1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Profit in view of Salary u/s 17(3) of I.T. Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Stock option/ Sweat equity/ commission/ others	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	60.00	29.85	NIL	NIL	NIL	2.64	48.00

During the year no sitting fees paid to any Directors.

7. STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted in accordance with the applicable provisions of Section 178 of the Companies Act, 2013, read with the relevant rules made thereunder, and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition, attendance and dates of Meetings:

During the financial year 2025-26, Composition of stakeholder relationship committee and the meetings attended by members are as follows:

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Ms Nupur Lodwal	Member	Two
Shri Kashinath Iyer Ganpathy	Member	Two

Meetings and Attendance during the year:

During the Financial Year 2025-26, Two Meetings of the Committee were held on 30.05.2025 and 28.03.2026.

Terms of reference

The Stakeholders' Relationship Committee has been constituted to oversee and facilitate the effective resolution of complaints, grievances and concerns raised by shareholders, investors and other stakeholders. The Committee endeavours to ensure that all such matters are addressed promptly, fairly and efficiently, in accordance with applicable laws, regulations and the Company's policies.

Name & Designation and Address of the Compliance Officer**Ms. Nupur Lodwal – Company Secretary**

Nath Industries Limited

Office: 1, Chateau Windsor, 86, Veer Nariman Road,
Churchgate, Mumbai – 400 020

Ramesh Sidram Phadatare – Deputy General Manager,

Nath Industries Limited

Office: 1, Chateau Windsor, 86, Veer Nariman Road,
Churchgate, Mumbai – 400 020

Status of Complaints received, resolved and pending as on 31st March, 2026

Number of Shareholders' Complaints pending at the beginning of the year	0
Number of Shareholders' Complaints received during the year	0
Number of Shareholders' Complaints disposed during the year	0
Number of Shareholders' Complaints remain unresolved at the end of the year	0

GENERAL BODY MEETINGS

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
2022-23	29 th September 2023 at 12.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2023-24	27 th September 2024 at 12.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005
2024-25	19 th September 2025 at 12.30 p.m.	Nath House, Nath Road, Aurangabad – 431 005

POSTAL BALLOT

No Postal Ballot was conducted during the financial year under review.

EXTRAORDINARY GENERAL MEETING:

During the year under review, no Extra Ordinary Meeting was held.

8 DISCLOSURES

Related Party Transaction

The Board of Directors has formulated and approved a Policy on Related Party Transactions (“RPT Policy”) in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The Company has prescribed the materiality threshold for Related Party Transactions at 10% of the Company’s turnover, as per the last audited financial statements. Accordingly, any transaction(s) with a Related Party, either individually or taken together with previous transactions during a financial year, exceeding the prescribed threshold shall be considered material, subject to the provisions of applicable laws and regulations.

The RPT Policy is periodically reviewed by the Board in accordance with the applicable regulatory requirements. The Policy was last reviewed and approved by the Board of Directors on 28th March, 2025.

The RPT Policy is available on the Company’s website at www.nathindustries.com.

During the financial year under review, the Company did not enter into any materially significant transactions with Related Parties that could have a potential conflict with the interests of the Company at large.

The details of transactions with Related Parties, as required under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been appropriately disclosed in the Notes forming part of the Financial Statements.

Statutory Compliance, Penalties and Structures

The Company has duly complied with the applicable statutory and regulatory requirements prescribed by the Stock Exchange(s), Securities and Exchange Board of India (SEBI) and other statutory and regulatory authorities during the year under review. There have been no instances of material non-compliance during the last three financial years.

Further, no penalties or strictures have been imposed on the Company by the Stock Exchange(s), SEBI or any other statutory or regulatory authority on matters relating to the capital market during the aforesaid period.

Whistle Blower Policy/Vigil Mechanism Policy

In accordance with the provisions of Section 177(9) and 177(10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism / Whistle Blower

Policy for Directors, employees and other eligible persons to report genuine concerns, unethical practices, misconduct or any violation of the Company's policies or applicable laws.

The Vigil Mechanism is overseen by the Audit Committee and provides adequate safeguards against victimisation of persons who use the mechanism in good faith. The mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Whistle Blower Policy / Vigil Mechanism Policy was last reviewed and approved by the Board of Directors on 28th March, 2026 and is available on the Company's website www.nathindustries.com.

During the financial year ended 31st March, 2026, no complaint or concern was received under the Whistle Blower Policy / Vigil Mechanism. Further, no Director or employee sought direct access to the Chairperson of the Audit Committee under the said mechanism during the year under review.

Reconciliation of Share Capital Audit

In accordance with the applicable requirements of the Securities and Exchange Board of India (SEBI), the Company undertakes a Reconciliation of Share Capital Audit on a quarterly basis through a Practising Company Secretary.

The Reconciliation of Share Capital Audit Reports confirm that the aggregate number of equity shares held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), together with the equity shares held in physical form, are in agreement with the total issued, paid-up, listed and admitted share capital of the Company.

9. MEANS OF COMMUNICATION

As per the requirement of listing agreement, the quarterly, half yearly and yearly financial results are submitted to the Stock Exchange and also uploaded on the Company's website www.nathindustries.com. The other information as required under the listing agreement or the Companies Act, 2013 or any other law which is required in public interest is also uploaded on the website www.nathindustries.com.

10. GENERAL SHAREHOLDERS MEETING

a. Annual General Meeting

Date, Time and Venue	30 th September, 2026 at 12.00 p.m. at Nath House, Nath Road, Aurangabad – 431 005.
Financial Year	The Financial Year of the Company is from April 1 to March 31
Date of Book Closure	27 th September, 2026 to 29 th September, 2026 (both days inclusive).
Listing on Stock Exchanges	BSE
Scrip Code/ID	502587/NATHIND

b. Financial Calendar (Tentative) :

Results for quarter ending 30 th June 2026	Second week of August, 2026
Results for quarter ending 30 th Sep. 2026	First week of Nov. 2026
Results for quarter ending 31 st Dec. 2026	First week of Feb. 2027
Results for quarter ending 31 st March 2027	Last week of May, 2027
Annual General Meeting	September 2027

c. Status of listing fees: Paid for the year 2025-26.

d. Registrar & Share Transfer Agents
Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Rd,
Andheri (E), Mumbai – 400 093.

e. Demat ISIN Number in NSDL & CDSL for
Equity Shares: INE777A01023
Corporate Identification Number:
L21010MH1980PLC022820

f. Stock Market Price Data:

Month	Stock Market Price		Month	Stock Market Price	
	High	Low		High	Low
April 2025	82.00	70.00	Oct. 2025	79.89	75.72
May 2025	84.50	67.55	Nov. 2025	78.95	63.00
June 2025	96.60	80.50	Dec. 2025	67.85	61.00
July 2025	89.44	80.70	Jan. 2026	65.75	57.20
Aug. 2025	92.00	74.76	Feb. 2026	65.65	54.10
Sept. 2025	83.00	75.33	Mar. 2026	56.98	42.00

Source - BSE web site: www.bseindia.com

g. Share Transfer System: The Company's Shares are covered under compulsory dematerialization and are transferable through the Depository System. Shares sent for transfer in physical form are registered & returned within a period of thirty days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

h. Shareholding Pattern and Distribution of equity shareholding as on 31st March, 2026.

i) Shareholding Pattern

Sr. No.	Category	No. of shares held	% of share holding
A	Promoters	1,40,04,065	73.71
B	Public	49,95,935	26.29
	TOTAL	1,90,00,000	100.00

ii) Distribution of Shareholdings as on 31st March, 2026

No. of Equity Share Held in Rs	No. of Share Holders	% of Total	Shares Amount in Rs.	% of Total
0001-5000	27230	97.49	5509270	2.90
5001-10000	283	1.02	2241470	1.18
10001-20000	169	0.60	2539810	1.35
20001-30000	69	0.25	1749050	0.92
30001-40000	33	0.12	1167840	0.61
40001-50000	22	0.08	1015310	0.53
50001-100000	50	0.18	3518300	1.85
100001-above	74	0.26	172258950	90.66
Total	27930	100%	19,00,00,000	100%

i. Dematerialization of Shares and Liquidity:

The shares are compulsorily traded in de-materalised form and available at both National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

j. Plant Location:

- i) Unit Rama Paper : Plot No. 293-296, Phase II, G.I.D.C., Vapi – 396195 Gujarat.
- ii) Unit Nath Chemical : Plot No. 295, Phase II, G.I.D.C., Vapi – 396195 Gujarat.
- iii) Unit Nath Paper : Nath Nagar (north), Village Wahegaon, Taluka Paithan, Dist. Aurangabad.

k. Address for Correspondence:

Registrar and Share Transfer Agents:-

Bigshare Services Private Limited
S6-2 , 6TH Floor, Pinnacle Business Park,
Mahakali Caves Road, Andheri (East)
Mumbai 400093
Tel.No. +91-22-62638200
Email: investor@bigshareonline.com

Registered Office:-

Nath Industries Limited
Nath House, Nath Road,
Aurangabad – 431 005
Tel.No. +91-240-2376315/16/17
Email: investor@nathindustries.com _ Website: www.nathindustries.com

Corporate Office:-

Nath Industries Limited
1, Chateau Windsor, 86, Veer Nariman Road,
Churchgate, Mumbai – 400 020
Tel.No. +91-22-22875653/54/55
Email: investor@nathindustries.com Website: www.nathindustries.com

l. Compliance Certificate of The Auditors

Certificate from the Company's Auditors, M/s. N R Agrawal & Co, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges, is attached to this Report.

m. CEO and CFO Certification

The Executive Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. The annual certificate given by the Executive Director and the Chief Financial Officer is attached to this Report.

n. Compliance with Code of Conduct

As Stipulated under the provisions of Regulation 34(3) read with Part D of Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended on March 31, 2026.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2026

Akash Kagliwal
Managing Director
(DIN:01691724)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Nath Industries Limited
Nath House, Nath Road,
Aurangabad

1. We have examined the compliance of conditions of Corporate Governance by Nath Industries Limited ("The Company"), for the year ended on 31st March, 2026 as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For N R Agrawal & Co
Chartered Accountants
(Firm's Registration No. 100143W)

N R Agrawal & Co
PARTNER
(Membership No. 30117
Mumbai, 29th May 2026

CEO and CFO Compliance Certificate

We, Akash Kagliwal, Managing Director and Vijay Saboo, Chief Financial Officer certify that:

a) We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2026 and to the best of our knowledge and belief:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2026 are fraudulent, illegal or violative of the Company's code of conduct.

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

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

i) There has not been any significant change in internal control over financial reporting during the year under reference;

ii) Changes in accounting policies consequent to the implementation of new Indian Accounting Standards (Ind AS) have been appropriately disclosed in the financial statements. The impact of the new Ind AS on the Company's financials is not material; and

iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Akash Kagliwal
Managing Director

Vijay Saboo
Chief Financial Officer

Place: Mumbai
Date: 29.05.2026

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
Nath Industries Limited
Nath House, Nath Road,
Aurangabad

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2026.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2026

Akash Kagliwal
Managing Director
(DIN:01691724)

Annexure III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR Committee

The Company is committed not only to complying with applicable statutory and environmental requirements but also to fulfilling its broader responsibility towards society and contributing to its sustainable development.

The Company firmly believes that education is one of the key pillars of individual empowerment and social advancement. Access to quality education plays a vital role in promoting personal development, economic opportunities and inclusive social progress.

In furtherance of its Corporate Social Responsibility objectives, the Company has fulfilled its CSR obligations during the year by making contributions to an educational institution engaged in promoting special education and skill development for underprivileged children, particularly those residing in rural and remote areas and who have limited access to quality education.

Through such initiatives, the Company endeavours to contribute meaningfully towards inclusive education, skill development and the overall development and empowerment of disadvantaged sections of society.

2. The Composition of the CSR Committee as on 31.03. 2026.

Name of Directors	Categories	No. of Meeting Attended
Shri Hitesh Purohit	Chairman	Two
Shri Kashinath Iyer Ganpathy	Member	Two
Mr Akash Kagliwal	Member	Two

3. Average net profit of the Company for last three financial years: Rs. 436.50 lacs

4. Prescribed CSR expenditure: Rs. 8.73 Lacs

5. Details of CSR spent during the financial year: Rs. 8.73 lacs

6. Total amount to be spent for the financial year: Rs. NIL

7. Amount unspent, if any: Rs. NIL

Details of Amount spent on CSR Activities during the Financial Year 2025-26:

S No	CSR Project or Activity identified Sector in which project is covered (Clause no of Schedule VII to the Companies Act 2013 as amended)	Project of Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Spent	Mode of Implementation - Direct-(Yes/No)	Name of the implementation agency and CSR Registration No
	(ii)-Education	Local Area-Maharashtra	Rs. 8.73 lacs	No	N Kagliwal Education & Research Foundation - CSR Reg No : CSR00026749

Annexure IV

MANAGEMENT DISCUSSIONS AND ANALYSIS

1. INDUSTRY OVERVIEW

A. PAPER INDUSTRY

Global pulp & paper market was ~USD 356 Bn in 2024, projected ~USD 362.41 Bn in 2025.

India 2026 Snapshot:

Industry Size: ₹90,000–95,000 crore

Installed Capacity: ~30–32 million tonnes. Actual production: ~25–26 million tonnes

Per Capita Consumption: ~16–17 kg

Segment Growth: Packaging Paper & Board: 55-60% of total demand. Fastest growth driver due to e-commerce, FMCG, food delivery and Real Estates.

India Paper Packaging Market is estimated CAGR 19.16% during 2026-2031. Out of which Tissue Paper CAGR is alone 4.11%. driven by hygiene awareness followed by Kraft Paper: CAGR 6.94% and Specialty Paper: CAGR is roughly 2.71%.by 2034.

Key Drivers: E-commerce, plastic-use restrictions in all 28 states, rising FMCG, healthcare, and organized retail.

Raw Material: Recycled paper 52%, Wood 28%, Agro-residues 20%. High import dependence for pulp and wastepaper remains subdued.

In India, the per capita paper consumption is around 15 kg, against Global average of 57 kgs, this figure is likely to grow to over 30 kg in the next few years, these numbers itself shows the scope for the Indian paper industry. Domestic consumption will help to achieve the growth, and objective of GOI to become a 5 trillion-dollar economy through various growth aspects including exports.

The demand for tissue paper is expected to increase due to growing awareness of personal hygiene and sanitation, especially in emerging economies. The two most promising growth sectors in the market that are currently receiving more attention from the industry are packaging materials and sanitary goods. As of 2018, packaging accounted for 58% of all paper and board production worldwide.

India ranks among the world's top 15 paper producers and is the fastest-growing major paper market globally, per the IBEF February 2026 update. Domestic production reached about 25 million tonnes per year across more than 850 paper mills, of which 526 are currently operational. The sector is the country's fifth-largest industrial segment by contribution and supports about 500,000 direct jobs, with several million more in upstream collection, logistics, and converting (IBEF, 2026; IPMA).

What makes India unusual is the structural mismatch between **demand growth** and **per-capita consumption**. The country consumes about 16 kg of paper per person per year, roughly a third of the global average of 57 kg, and one-sixth of developed-economy consumption above 100 kg ([IPMA](#)). Closing that gap, even partially, against a population of 1.4 billion translates into millions of tonnes of additional annual demand, the basis for the 6-8% sustained growth rate that has held for over a decade.

The composition of demand is shifting too. Packaging now accounts for around 65% of total paper consumption and is growing at 8.2% per year, faster than any other major paper economy ([Business Standard, 2025](#)). Tissue and specialty grades are growing even faster (13.3% and 10.5% respectively), while writing and printing paper sits at a modest 3%, reflecting the same digital-substitution pressure seen in mature markets, though tempered in India by continued growth in education and government consumption.

The packaging industry in India has emerged as a key driver of innovation and value creation across manufacturing sectors, particularly in FMCG, agriculture, and food processing. As of September 2024, India became the third-largest packaging market globally, surpassing Japan, with the industry exceeding Rs. 7,36,246 crore (US\$ 86 billion). Packaging now ranks as the fifth-largest sector of the Indian economy, expanding rapidly at 22-25% annually. This growth is fuelled by rising middle-class consumption, the boom in e-commerce, improvements in supply chains, and an increasing emphasis on food safety and quality. India's food processing sector is adopting smart and innovative packaging, boosting food safety and positioning the country as a global hub for packaging materials.

The strong export performance of value-added paper grades and sustained import demand for specialised paper products highlight the sector's expanding integration with global markets and its growing role in supporting India's packaging and printing ecosystem.

A notable feature of India's paper industry is its reliance on sustainable raw materials. Around 74-76% of production in 2024-25 came from recovered paper and recycled fibre, 18-20% from wood and bamboo, and 6-8% from agro residues like bagasse and wheat straw. This shift aligns with the country's growing green packaging market, projected to expand at a CAGR of 7.24% during 2023-28.

Technology adoption is also shaping the sector. Smart packaging solutions, including RFID, NFC, and QR codes, are increasingly being used to enhance product authentication and supply chain efficiency. Flexible packaging, driven by strong demand from the FMCG sector, is expected to expand by Rs. 1,35,642 crore (US\$ 15.6 billion) during 2024-28, growing at a CAGR of 12.7%.

B. CHEMICAL INDUSTRY

Sulphuric acid (H_2SO_4) is a core industrial chemical mainly used in the production of phosphate fertilizers, metal processing (including leaching), petroleum refining, chemical intermediates such as detergents and pigments, and water treatment. It is a highly corrosive, colorless inorganic acid that plays a foundational role in the global chemical industry. It is primarily manufactured using the contact process from elemental sulfur, smelter off-gases, or pyrite ore. The market is closely linked with the performance of fertilizer, chemical, petroleum refining, and metal processing industries. Among these, phosphate fertilizer production accounts for the largest consumption share, as sulphuric acid is essential for producing phosphoric acid. Growing

agricultural demand, combined with industrial expansion and infrastructure development, continues to support consistent sulphuric acid usage.

Sulphuric Acid is a colorless, highly corrosive diprotic acid finding various applications in the chemical industry due to its extraordinary oxidizing and dehydrating properties. The surge in the consumption of Sulphuric Acid in India is augmented by the overall growth of the Indian chemical industry wherein it is widely utilized for synthesizing myriad derivatives. Sulphuric Acid is primarily being used as a feedstock for the synthesis of nitrogenous and phosphatic fertilizers against the backdrop of its abundant demand from the fertilizer industry. Besides this, the growing consumption of Sulphuric Acid in the water treatment process and metal processing is anticipated to contribute well to propel its demand in the forecast period. Demand fundamentals for Sulphuric Acid are expected to showcase a V-shaped recovery with scheduled capacity additions in its downstream derivatives under the government initiative of self-reliant India.

Additionally, sulphuric acid is widely used in water treatment, detergents, pigments, and industrial cleaning applications. Its broad industrial applicability ensures stable baseline demand across regions.

Sulphuric acid is extensively used in various industrial sectors, including chemicals, petroleum refining, and wastewater treatment. The growing production of specialty chemicals, such as detergents, synthetic fibers, and pharmaceuticals, significantly increases the consumption of sulphuric acid in India. Its role in metal processing, particularly in the leaching of non-ferrous metals like zinc and copper, is also gaining traction due to increased mining activities. Additionally, India's rapid industrialization and infrastructure development projects further contribute to rising sulphuric acid demand. According to an industry report, India is experiencing swift urbanization. By 2036, approximately 600 million people, approximately 40% of the population, will reside in its towns and cities, an increase from 31 percent in 2011. Urban regions are expected to account for nearly 70 percent of the country's GDP. With the government's push for urbanization, smart city initiatives, and the expansion of industrial corridors, the need for sulphuric acid in steel manufacturing, cement production, and water treatment is growing. The sulphuric acid industry India faces stringent environmental regulations on effluent treatment and pollution control result in a higher demand, as sulphuric acid is widely used in wastewater treatment plants to neutralize contaminants. Additionally, the rise of the electric vehicle (EV) sector also leads to a surge in battery manufacturing, where sulphuric acid plays a key role in lead-acid battery production. As India continues to promote clean energy and industrial self-reliance, the diverse applications of sulphuric acid are expected to keep growing, which is facilitating the India sulphuric acid market growth.

The global sulphuric acid market size was valued at USD 35.13 billion in 2025. The market is projected to grow from USD 36.61 billion in 2026 to USD 52.86 billion by 2034 at a CAGR of 4.7% during the 2026-2034 forecast period. Asia Pacific dominated the global market with a market share of 50.58% in 2025.

India's Sulphuric Acid market stood at 14.15 Million Tonnes in FY2021 and is forecast to reach 24.40 Million Tonnes by FY2030, growing at a healthy CAGR of 6.24% until FY2030.

2. Opportunities and Threats

PAPER INDUSTRY

OPPORTUNITIES:-

By 2030, three structural drivers will shape returns for paper-mill investments in India:

1. Packaging shift. The paper-packaging market is projected to grow from **US\$ 22.7 billion (2025) to US\$ 25.2 billion (2030) at 8.1% CAGR**, with packaging-paper specifically growing at **14.2% CAGR to US\$ 19 billion by 2030** ([IBEF, Feb 2026](#)). E-commerce, FMCG, and food-service packaging account for the majority of incremental demand.

2. Plastic substitution. EPR Rules 2024 (effective April 2026), single-use plastic restrictions, and corporate sustainability mandates are pushing measurable volume from plastic to paper packaging. The F&B packaging market alone is projected at **₹4,53,625 crore (US\$ 52.5B) by 2030**, with paper capturing a rising share ([IBEF](#)).

3. Per-capita consumption catch-up. At 16 kg per person, India sits around a third of the global average. A move to even 22-25 kg by 2030, consistent with comparable emerging-economy paths, implies an additional **8-12 million tonnes of annual demand**, requiring **roughly 200-300 new mid-scale mills** or capacity expansions of equivalent size.

Expansion of Sustainable and Recycled Paper Products

The Indian paper industry is witnessing a surge in the production of sustainable and recycled paper products. Environmental concerns and stricter regulations on plastic packaging are driving the shift towards eco-friendly alternatives. Additionally, advancements in recycling technologies have improved the quality of recycled paper, making it a viable substitute for virgin paper. The government's focus on promoting circular economy practices has further propelled this trend. For instance, in March 2025, the Indian Recovered Papers Traders Association (IRPTA) proposed a reduction in GST on waste paper in the upcoming Delhi budget. The meeting highlighted the importance of the waste paper recycling sector in supporting the livelihoods of underprivileged individuals. The association's role was further emphasized in waste management and suggested that their involvement could significantly reduce Delhi's garbage issues. The proposal aims to promote sustainable waste recycling and strengthen the circular economy in the paper industry. Large corporations and retailers are also opting for sustainable paper solutions for their packaging needs, which has increased the demand for biodegradable and recyclable paper products in the Indian market. Amcor, a global packaging leader, aims to achieve 30% recycled content across its portfolio by 2030 through strategic partnerships and investments. In FY24, it used 10% post-consumer recycled resins a year ahead of its 2025 target. The company invested USD 100 Million annually in R&D, supporting innovations like AmFiber Performance Paper and recycled packaging for food and healthcare.

Growth in E-commerce and Demand for Packaging Paper

The exponential growth of the e-commerce sector has significantly increased the demand for paper-based packaging solutions. For instance, as per industry reports, India's paper market remains the world's fastest-growing, with packaging paper and paperboard consumption rising by 8.2% in 2024, reaching 15 million tonnes, which is 65% of the total 23 million tonnes. With more consumers shopping online, companies require durable and sustainable packaging

materials to ensure the safe delivery of products. Corrugated boxes, paperboard cartons, and Kraft paper are widely used for this purpose. Additionally, increasing consumer preference for eco-friendly packaging has led companies to adopt recyclable paper materials. Innovations in lightweight and moisture-resistant [paper packaging](#) have further enhanced its application in e-commerce. As logistics and warehousing sectors expand, the demand for paper packaging is expected to grow, further cementing its role as a critical component in the supply chain.

Growth in Packaging Industry

The Indian paper and paper products market are currently experiencing a significant growth trajectory, driven by a multitude of factors that are reshaping the industry landscape. Among these factors, one key driver is remarkable growth in the packaging industry. This growth is fueled by a convergence of various trends and developments, each contributing to the increasing demand for paper and paper products in packaging applications.

One of the most notable trends driving the surge in demand for paper packaging is the growing environmental consciousness among consumers and businesses alike. As awareness about environmental sustainability continues to rise, there is a noticeable shift towards sustainable and eco-friendly packaging solutions. Paper, being biodegradable and recyclable, has emerged as a preferred choice for packaging materials, garnering significant traction in the market. This shift towards eco-friendly packaging is propelled by concerns over plastic pollution and its adverse impact on the environment, prompting businesses to explore alternative packaging options.

Rise in Disposable Income

The rise in income levels and the expanding middle class in India are contributing to the growth of the paper packaging industry. As consumers' lifestyles evolve and purchasing power increases, there is a corresponding increase in the demand for packaged goods across various sectors. This surge in consumer demand for packaged products, ranging from food and beverages to personal care and household items, is driving up the need for paper-based packaging solutions, thereby bolstering the demand for paper and paper products in the market.

Government initiative for Curbing usage of Single Use Plastic

Government regulations and policies aimed at curbing the usage of single-use plastics are also playing a pivotal role in driving the growth of the paper packaging market in India. With the Indian government implementing stringent regulations against the use of plastic packaging, businesses are compelled to seek alternative packaging materials that are in compliance with these regulations. Paper, with its eco-friendly properties and versatility, has emerged as a viable alternative to plastic packaging, further stimulating its adoption in the market.

Technological Advancement and Innovations

Technological advancements in the paper manufacturing process have significantly enhanced the quality, efficiency, and versatility of paper production. Innovations in manufacturing technologies have led to the development of advanced paper products that meet the diverse needs and requirements of various packaging applications. These technological advancements have not only improved the quality and performance of paper-based packaging materials but have also expanded the range of available paper products in the market, offering businesses a wider selection of options to choose from.

The paper and paper products industry in India has witnessed a surge in innovation, with manufacturers continuously developing specialized papers tailored to specific packaging applications. From food packaging to pharmaceutical packaging and industrial packaging, manufacturers are investing in research and development to create specialized paper products that offer enhanced functionality, performance, and sustainability.

This proliferation of innovative paper-based packaging solutions is driving further growth and diversification within the paper packaging market, attracting investments and opportunities for businesses operating in the industry. Thus, the growth of the packaging industry, fueled by changing consumer preferences, environmental concerns, government regulations, technological advancements, and product innovation, is playing a pivotal role in propelling the Indian paper and paper products market forward. As these trends continue to evolve, the paper industry in India is poised for continued growth, offering significant opportunities for businesses to capitalize on emerging market trends and meet the growing demand for sustainable packaging solutions.

Rise in Literacy Rate

India's paper and paper products market is witnessing a significant surge in demand, driven by the country's remarkable progress in literacy rates. Over the past few years, India has made substantial strides in improving literacy levels, owing to increased awareness and the government's steadfast commitment to education. This concerted effort has not only resulted in a more educated populace but has also spurred a notable uptick in the consumption of essential educational materials like notebooks and textbooks, which are indispensable tools in the learning process. As literacy rates continue to rise across the nation, the demand for these paper-based educational materials is experiencing a corresponding growth trajectory, thereby bolstering the demand for paper and paper products in the market.

The positive ramifications of escalating literacy levels extend beyond the domain of education, significantly impacting the newspaper industry. With a higher proportion of the population attaining literacy, more individuals are equipped to read and comprehend written content, leading to a substantial uptick in newspaper readership. This trend is particularly pronounced in India, where newspapers continue to thrive despite the global trend towards digital news consumption. The enduring popularity of newspapers in the Indian market can be largely attributed to the nation's burgeoning literacy rates, as a larger readership base translates into heightened circulation figures and increased advertising revenue for newspapers.

The upward trajectory of literacy rates in India is not only serving as a key driver of growth for the paper and paper products market but is also reshaping the landscape of the newspaper industry. As educational attainment becomes increasingly widespread and newspaper readership continues to ascend, the demand for paper-based products is poised to experience a further surge, presenting lucrative opportunities for businesses operating within the paper industry to invest and expand their operations in the Indian market. This optimistic outlook underscores the promising future of the paper industry in the country and underscores the critical importance of sustained support for education initiatives and literacy programs.

Challenges Towards Paper Industry in India

Raw material shortage

India has no commercial industrial forestry of scale; the Forest (Conservation) Act effectively rules out captive plantations. Three-quarters of India's paper production already comes from recycled fibre, but domestic waste-paper collection is only ~50% versus 80-90% in developed markets, so the country imports **about 7 million tonnes of waste paper annually**, exposing mills to international price volatility

Energy and water intensity

A modern paper mill requires about 60 m³ of water per tonne of paper and is one of the most energy-intensive industrial processes. Power-cost volatility and water-availability restrictions in industrial corridors are the single largest opex variables.

Environmental compliance

Paper-and-pulp is in the "red" category of the Central Pollution Control Board, requiring Consent to Establish (CTE) and Consent to Operate (CTO) approvals, effluent treatment investment, and continuous emissions monitoring. EPR Rules 2024 add fresh compliance load on packaging-grade mills.

Aging equipment in the legacy base

Many older mills run sub-optimal machinery with capacity utilisation below 70%, where the unit economics break down. Modernisation capex is concentrated among the top 20 producers; the long tail struggles to refinance retrofits.

Import competition

Paper imports rose roughly 34% in 2023-24 to **19.3 lakh tonnes**, pressuring domestic margins particularly in coated paper and certain board grades

CHEMICAL INDUSTRY

OPPORTUNITIES:

Agricultural and Industrial Expansion to Ensure Sustained Demand

The market is primarily driven by increasing demand from the global fertilizer industry. Rising population levels, increasing food consumption, and the need to enhance crop yields have intensified demand for phosphate fertilizers, which in turn directly supports product consumption. Another important driver is the expansion of petroleum refining capacity, which generates sulphur as a by-product and supports H₂SO₄ production. Industrial growth in developing economies has also increased demand from chemical manufacturing, metal processing, and infrastructure-related activities. Additionally, the product remains a critical input for water treatment and industrial cleaning, supporting consistent baseline demand. The availability of sulphur from oil and gas refining further strengthens supply stability. These combined drivers ensure continuous consumption across multiple industries, thus supporting the steady growth of the market.

Emerging Industrial Applications Creating New Growth Avenues in Market

The market presents significant growth opportunities due to the expansion of industrial applications beyond traditional fertilizer usage. One major opportunity lies in the growing demand for sulphuric acid in the processing of battery metals, particularly for the extraction of lithium, nickel, and cobalt used in electric vehicles. This trend is strengthening demand from the energy storage and clean mobility sectors. Another opportunity is the increasing adoption of spent acid regeneration technologies, which enable industries to reuse product while reducing waste and dependency on raw materials. Additionally, infrastructure development and mining expansion in emerging economies are increasing product consumption in ore leaching and metal processing. The growth of chemical manufacturing clusters in Asia and the Middle East further enhances market potential. These expanding application areas are creating diversified demand channels, thereby strengthening the long-term prospects for the sulphuric acid market growth.

Diversification of chemical processing

Diversification of India's chemical manufacturing sector includes creating uniform demand for Sulphuric Acid in end-use applications such as dyes, pigments, detergents, and pharmaceuticals. Make in India, along with evolving global value chains, is attracting investments into industrial and specialty chemical production. Sulphuric Acid plays a critical role as both catalyst and input material in such processes. This develops new synergies in downstream industries and helps regional industrialization. The scale and specialization likely to be generated are anticipated to render Indian chemical clusters more competitive on a global level while guaranteeing consistent Sulphuric Acid utilization.

Growth in textile and leather processing

Sulphuric Acid finds applications in various stages of textile and leather production, ranging from dyeing and finishing to pH regulation. India's textile and leather export sectors are gaining from rising international demand, official incentives, and sustainability overhauls. Process improvement, modernization, and adaptation to international standards are leading to higher quality production, which indirectly leads to greater stability of dependability on regular chemical inputs. The role of Sulphuric Acid in water-intensive, quality-sensitive processes makes it inseparable. Expansion in these industries, especially in the south and west of India, is converting into consistent demand for Sulphuric Acid in industrial hubs.

These strategic opportunities in fertilizers, chemicals, mining, textiles, and water treatment are transforming Sulphuric Acid's market position in India. Industrialization, government support, and infrastructure growth are driving consumption growth over the long term. Integrated applications are enhancing market robustness while optimizing operating efficiency. With the growth of these industries, Sulphuric Acid will experience diversified, stable, and high-volume demand, cementing India as a key market and manufacturing destination.

CHALLENGES TOWARDS SULPHURIC ACID INDUSTRY

Regulatory and Operational Complexities Limiting Market Flexibility

Despite strong demand fundamentals, the market faces notable restraints related to safety, environmental, and operational challenges. Strict regulations governing sulphur dioxide emissions, hazardous chemical handling, and waste disposal increase compliance costs for

manufacturers. The transportation and storage of acid require specialized infrastructure due to its highly corrosive nature, which adds to logistical expenses. Additionally, volatility in sulphur feedstock availability, influenced by fluctuations in crude oil refining activity, impacts production economics. Smaller manufacturers often struggle to absorb rising compliance and infrastructure costs, limiting their expansion capabilities. Community opposition and environmental scrutiny around chemical plants further slow project approvals. These factors collectively restrict operational flexibility and expansion potential, hence posing challenges to market participants, particularly in highly regulated regions.

Supply Imbalances and Logistics Constraints Affecting Market Stability

The market faces several challenges, including regional demand concentration and logistical limitations. Due to safety risks and high transportation costs, the product is typically consumed near production sites, limiting long-distance trade. This leads to regional oversupply in some markets and shortages in others. Another challenge is overcapacity in fertilizer-linked regions, which results in price pressure and margin volatility. Dependence on cyclical industries, such as agriculture, mining, and metals, further exposes the market to fluctuations in demand. Additionally, aging infrastructure in certain regions increases maintenance costs and operational risks. These structural and logistical challenges require careful capacity planning and regional alignment strategies, which in turn impact overall market stability.

Trade Protectionism and Geopolitical Impact

Trade protectionism and geopolitical developments have influenced product supply dynamics by affecting sulphur availability and cross-border trade. Export restrictions, sanctions, and regional conflicts have disrupted the supply routes for sulphur. Markets dependent on imported sulphur are more exposed to supply risks. In response, manufacturers are prioritizing domestic sourcing, captive production, and long-term supply contracts. These factors are reshaping global trade patterns in the market.

EXPORTS

India Exports of paper and paperboard, articles of pulp, paper and board was US\$2.61 Billion during 2025, according to the United Nations COMTRADE database on international trade. Global growth is projected to moderate to 3.1% in 2026 before edging up marginally to 3.2% in 2027. At the same time, inflation is expected to rise slightly to 4.4% in 2026 before resuming its downward trajectory the following year. However, risks arising from escalating geopolitical tensions and potential trade disruptions will severely impact the global growth.

However, export growth is likely to be more attractive in **specialty papers, coated paperboard, packaging grades, cup stock and value-added products**, rather than purely commodity grades. With an export presence spanning more than 22 countries, the Company has established a global footprint and continues to strengthen its position across international markets.

Total exports for chemicals and allied products stood at US\$ 20.54 billion. Global buyers continue to de-risk supply chains by shifting sourcing away from China toward Indian manufacturers which has opened up new opportunities to increase chemical exports globally.

3. Internal Control Systems and their adequacy

The Company has an adequate system of internal controls commensurate with the size and nature of its operations. The Company has established and documented policies and procedures covering its financial and operational functions. These controls are designed to provide reasonable assurance regarding the accuracy and reliability of financial reporting, safeguarding of assets, prevention and detection of unauthorised use or losses, monitoring of operations and compliance with applicable laws and regulations.

The internal control systems are reviewed and monitored periodically to assess their adequacy and effectiveness. The Audit Committee reviews the adequacy and effectiveness of the internal control framework and oversees the implementation of corrective measures, wherever required. The Company continues to strengthen and align its processes and controls with appropriate industry practices, with a view to ensuring operational efficiency, transparency and sound corporate governance.

4. Financial performance with respect to operational performance

The Company achieved EBIDTA of Rs. 29.21 Cr on total income of Rs. 494.87 Crores as against the EBIDTA of Rs. 34.67 Cr achieved on total income of Rs. 432.55 Cr in previous year. The EBIDTA for the current year was reduced to 5.90% from 8.11 % achieved in the previous year. Profit after tax recorded for the year is Rs 6.68 Cr as against Rs 9.74 Cr recorded in the previous year.

5. Development in human resources/industrial relations front

The Company recognises its human resources as a key driver of its growth and sustained business performance. The Company remains committed to fostering a work environment that promotes employee engagement, commitment and development, enabling employees to contribute effectively towards the achievement of organisational objectives.

The Company continues to undertake various initiatives aimed at enhancing employee engagement, capability building and professional development. Being a people-centric organisation, the Company places due emphasis on developing internal talent and nurturing the next generation of leadership to support its long-term organisational objectives.

The Human Resources function continues to align its policies, processes and initiatives with the evolving needs of the organisation and its stakeholders, while maintaining a balanced approach towards employee costs and operational efficiency.

The Company continues to maintain cordial and harmonious industrial relations across all its manufacturing units.

For and on behalf of the Board,

Place: Mumbai
Date: 31.08.2026

Akash Kagliwal
Managing Director
(DIN:01691724)

Annexure V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The percentage increased in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26 ratio of the remuneration of the employees of the Company for the financial year 2025-26 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y.2025-26(in Lakhs)	% Increase in Remuneration in the F.Y. 2025-26
1	Shri Akash Kagliwal	60.00	0%
2	Shri Abhaykumar Jain	26.26	6.27 %
3	Shri Vijay Saboo	48.00	0 %
4	Ms. Nupur Lodwal	2.64	9.09 %

Annexure VI

RISK MANAGEMENT POLICY

The Company Nath Industries Limited is required to adhere to the regulations made both by the Companies Act, 2013 and Listing Agreement governed by the Securities and Exchange Board of India (SEBI). Where any stipulation is common between the regulations more stringent of the two shall be complied with.

This Policy has been implemented by the Company w.e.f. 30.04.2016.

The Board of Directors of Nath Industries Limited has adopted the following policy and procedures with regard to risk management policy. It shall be attached to financial statements laid before a company in general meeting, a report by its Board of Directors, which shall include a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (a) of companies Act, 2013.

The purpose of the risk management policy shall be to assist the Board with regard to the identification evaluation and mitigation of operational, strategic and external environment risks. Pursuant to provisions of Section 177(4) and other applicable provisions of Companies Act, 2013 the Audit Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company.

The Board & Audit committee is responsible for reviewing and approving risk disclosure statement in any public documents or disclosures.

The Members of Audit committee and senior executives of the company shall have free access to management and management information. The members of the Committee at their sole authority, may seek the advice of outside experts or consultants where judged necessary.

The risk management policy covers the following areas:

1. Assessment of the Company's risk profile and key areas of risk in particular.
2. Recommending to the Board and adopting risk assessment and rating procedures.
3. Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
4. Assessing and recommending to the Board acceptable levels of risk.
5. Development and implementation of a risk management framework and internal control system. On an annual basis, agreeing with the Audit Committee which aspect of the internal audit are non-financial aspects to be monitored. In relation to the non-financial aspects of the internal audit the committee to:
 - Monitor the progress of the Company's auditors against the audit plan.
 - Review all relevant representation letters signed by management.
 - Discuss the results of the internal audit with the Company's auditors; inquiring if there have been any significant disagreements between management and the Company's auditors, and monitoring management's response to the Company's auditors recommendations that are adopted.
 - Initiate and monitoring special investigation into areas of corporate risk and breakdowns in internal control.
 - Review the nature and level of insurance coverage.

ANNEXURE VII

FORM NO. MR -3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2026

[Pursuant to section 204(1) of The Companies Act, 2013 and the Rule no. 9 of the Companies (Appointment and Remuneration Personnel Rules, 2014) and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,

**The Members,
NATH INDUSTRIES LIMITED
Nath house, Nath Road, Aurangabad
CIN L21010MH1980PLC022820**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NATH INDUSTRIES LIMITED bearing CIN L21010MH1980PLC022820, ('the Company'). The 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 authorised 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, 2026 (Audit Period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported 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, 2026 according to the provisions of –

1. The Companies Act, 2013 (the Act) and the rules made there under including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
4. The Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB).

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not applicable as the company has not granted any options to its employees during the financial year under review**
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as the company has not issued any debt securities during the financial year under review**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable as the company has not delisted its equity shares from any stock exchange during the financial year under review**
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable as the company has not bought back any of its securities during the financial year under review**
 - j. The Company has complied with the provisions of the SEBI (Depositories and Participants) Regulations, 1996 including submitting of Reconciliation of Share Capital Audit Reports
 - k. 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; and
 - l. The Memorandum and Articles of Association.

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

- a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- b) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The company has identified the following laws as specifically applicable to the During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The company has identified the following laws as specifically applicable to the company however I have not verified whether the company has complied the provisions of the following acts as the same was not within the scope of my work;

- a. The Seeds Act 1966
- b. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- c. Factories Act 1948
- d. Minimum Wages Act 1923
- e. Contract Labour (Regulations & Abolition) Act 1970
- f. The Income Tax Act 1961
- g. Goods and Service Act 2017 (GST)

I further report that:

1. The board of directors of the Company is duly constituted with proper balance of Executive directors, non-executive directors, independent directors and women director.
2. Adequate notice is given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance.
3. 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.
4. The status of the company during the financial year under review has been that of Listed Public Company.
5. The company has not been a holding or subsidiary of another company. The company has not been a government company or a financial company.
6. The Directors have complied with the requirements as to disclosure of interests

and concerns in contracts and arrangements, shareholdings / ~~debenture~~
~~holdings~~ and directorships in other companies and interests in other entities.

7. Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes of Meeting.
8. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
9. As Per the SEBI Guidelines, The Registry and Share Transfer Activity is being handled by M/s Big Share Services Private Limited.
10. The company has proper board process.
11. The Company has obtained all necessary approvals under the various provisions of the Act; and
12. There was no prosecution initiated and no fines or penalties are imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that compliance of applicable financial laws including Direct and Indirect tax laws by the company has not been reviewed in this Audit since the same has been subject to review by the Statutory auditor and other designated professionals.

I further report that based on the information received and records maintained 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.

CS Neha P Agrawal
Practicing Company Secretary
FCS No 7350 & CP No 8048
Peer review Certificate No. 8098/2026
UDIN: - F007350H000541565

Date: - 29.05.2026
Place: - Chatrapati Sambhaji Nagar (CSN)

Note: - This report is to be read with my letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

ANNEXURE A"

To,
The Members,
NATH INDUSTRIES LIMITED
Nath house, Nath Road, Aurangabad
CIN L21010MH1980PLC022820

My Secretarial audit report of even date is to be read along with this letter:

Management's responsibility: -

1. It is the responsibility of management of the company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of applicable laws and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records based on my audit.
2. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis

Auditor's responsibility: -

1. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
3. I believe that audit evidence and information obtained from the company's management is adequate and appropriate for me to provide a basis for my opinion.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer: -

5. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS Neha P Agrawal

Practicing Company Secretary
FCS No 7350 & CP No 8048
Peer review Certificate No. 8098/2026
UDIN: - F007350H000541565

Date: - 29.05.2026

Place: - Chatrapati Sambhaji Nagar (CSN)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of M/s Nath Industries Ltd.

1. Report on the Financial Statements

We have audited the accompanying financial statements of M/s Nath Industries Ltd, which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information including the statement of Other Comprehensive Income, Cash Flow statement and Statement of changes in Equity for the year ended and Notes to the Ind AS Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion & to the best of our information and according to the explanation given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the act') in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2026, its profit including other comprehensive income and its cash Flow and the changes in equity for the year ended on that date.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting Standards referred to in section 129(1) of the Companies Act, 2013 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 & Section 134(5) of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidences obtained are sufficient and appropriate to provide a basis for our audit opinion.

6. Opinion

In our opinion and to the best of information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2026;

(b) in the case of the Statement of Profit and Loss, of the profit for the year & its cash Flow ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act 2013 and on the basis of such checks of the books and records of the company as we consider appropriate and according to the information and explanations given to us, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
- (ii) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from examination of those books;
- (iii) The Balance Sheet, Statement of Profit and Loss and cash Flow statement dealt with by this Report are in agreement with the books of accounts;
- (iv) In our opinion, the aforesaid Ind AS financial statements including the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards notified under the Act, read with Rule 7 of the Company's (Accounts) Rules, 2014 & read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (v) On the basis of written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, We report that none of the director is disqualified as on March 31, 2026, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (vi) In our opinion & to the best of our information and according to explanation given to us, we report with respect to other matters to be included in Auditors Report in accordance with Rule 11 of the companies (Audit & Auditors) Rule 2014 as under:
 - i. The company does not have any pending litigation which would impact its financial position except excise duty liability as per para (vii) (b) of the Annexure 'A' of this report.
 - ii. The company did not have any long term contracts including derivative contracts, as such the question of commenting any material foreseeable losses there on does not arise
 - iii. There has been no delay in transferring amounts required to be transferred, to The Investors Education & Protection Fund by the company.

For N.R. Agrawal & Company
Chartered Accountants
Firm Reg. No. 100143W

Place: Mumbai
Date: 29th May 2026

N.R. Agrawal
Partner
Membership No: .030117
UDIN:- 26030117PGAMJU4698

The Annexure `A` referred to in paragraph 7 of our Report of even date to the members of M/s Nath Industries Ltd. on the accounts of the company for the year ended 31st March, 2026

- i). a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.
- b) As informed to us, the fixed assets have been physically verified by the management during the year at reasonable intervals and we were informed that no material discrepancies have been noticed on such verification.

Title deeds of all immovable properties are held in the name of the company, except immovable properties belonging to company as under: `

Freehold land

Situated at Wahegaon Gut no 50/3 and 37/8, At Pimpalwadi 26/1, Gut No 124 (S No 54), Village Mudalwadi,

All above lands parcels are situated at Taluka Paithan, Dist Aurangabad Maharashtra - 431 148

Gross Value Rs. 837.24 lakhs

Net Rs. 837.24 lakhs

Total Area 72,441 sq meter

Held in the name of transferor company Nath Pulp and Paper Mills Limited since date of merger order dated 22nd August 2019

Reason - Transfer/Registration is under process

Leasehold Land:-

Lease hold land situated at Plot no 294,295 & 296, Phase 2, Industrial Estate, GIDC, Vapi Gujarat 396 195.

Gross Value Rs. 4682.40 lakhs

Net Rs. 3991.55 lakhs

Area 39020 sq meters,

Held in the name of the transferor company Nath Industrial Chemicals Limited, since date of merger dated 22nd August 2019

Reason - Transfer/Registration is under process

Residential Flats:-

14 Flats at Gautam Apartment, Gunjan Area, Near Gautam Kirana Stores, GIDC, Vapi, Gujarat - 396 195.

Gross Value Rs. 106.92 lakhs

Net Rs. 87.94 lakhs

Area 650 sq meters,

Held in the name of the transferor Raveshia Associates , since date 1992

Reason - Transfer/Registration is under process

Staff Quarters:-

1 Staff quarters at RCF/10/119, Road H-II-2, Chanod, GIDC, Vapi, Gujarat- 396 195

Gross Value Rs. 7.70 lakhs

Net Rs.6.66 lakhs

Area 46.50 sq meters,

Held in the name of the Rama Pulp and Papers Limited, since date 1992

Reason - Transfer/Registration is under process

Revaluation & holding Benami Property - Not applicable for the year ended on 31/3/2026.

- ii). a) Physical verification of the inventory has been conducted at reasonable intervals by the management.

Procedures of physical verification of inventory followed by the management are appropriate reasonable and adequate in relation to the size of the company and nature of its business. No material discrepancies were noticed on physical verification.

- b) 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. Quarterly returns or statement filed by the company with such banks are in agreement with books of accounts.

- iii). a) Company has made investments in shares, Not provided guarantee, & granted unsecured loans & advances in the nature of loans to companies, firms or limited liability Partnerships.

Aggregate amount advanced to parties other than subsidiaries, joint ventures & associates is Rs. 6,42,18,445/- & Balance outstanding at the balance sheet date is Rs. 2,81,44,969/- which includes Rs. 51,36,173/- is advance given for CSR Expense.

- b) Investments made, guarantee provided & terms & conditions of all the loans & advances in the nature of loans & guarantees provided are not prejudicial to the company's interest.

- c) In respect of loans & advances in the nature of loans, schedule of repayment of principal & interest is not stipulated. Receipt of the principal amount are regular. However, receipt of interest is not regular.

- d) There is no overdue amount as on 31st March 2026.

- e) No loans & advances in the nature of loans, has fallen due during the year. Hence question of renew or extension or granting of fresh loan do not arise.

- f) Company has granted loans & advances in the nature of loans, either repayable on demand without specifying any terms or period of repayment, aggregating Rs. 2,81,44,969/- including advance for CSR Expenses. Percentage to total loans granted is 100 %.

- iv) In respect of loans, investments, guarantees, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

- v). The company has not accepted deposits, hence question of compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 companies Act 2013 or any other relevant provisions of the companies Act 2013 and the rules framed there under, are not applicable to the company

- vi) a) Maintenance of cost records has been specified by CG u/s 148(1) of the Companies Act, 2013.

- b) Such cost accounts & records are being made & maintained by the company.

- vii) a) As per the records of the company and according to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, income tax, sales tax, Service tax, custom duty, Excise duty, cess, value added tax and other statutory dues, to the extent applicable to it.

- b) Company has not deposited disputed Excise Duty In respect of Vapi Plant & Aurangabad Plant respectively as under. Appeal by the company are pending before Appellate Authorities.

Name of statue	Forum where the dispute is pending	Amount Rs	Period to which the Amount Relates
Excise Duty	Unit- Nath Paper – Commissioner of appeal, Nasik has remanded back dispute to assessing officer	74,36,435	2010-2011 to 2014-2015
Excise Duty	Unit- Nath Chemicals Customs Excise & Service Tax Appellate Tribunal, Ahmadabad for reversal of Modvat	8,84,386/-	2003-2004 to 2007-2008

- viii) There is no unrecorded transaction or income in the books of the company which is surrendered or disclosed as income during the year.
- ix) a) The company has not defaulted in repayment of loans from Financial institution or bank or debenture holders
b) Company is not declared as willful defaulter by any bank or financial institution or any lender.
c) Company has taken term loans from Bank and term loans were applied for the purpose for which they were obtained.
d) Funds raised on short term basis have not been utilized for long term purposes
e) Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary, associates or joint venture.
f) Company has not raised any loans during the year on pledge of any securities held in its subsidiary associates or joint venture.
- x) The company has not raised any funds during the year by way of any public issue or preferential allotment or private placement or debentures
- xi) a) According to the information and explanations given to us, there is no fraud by the company or on the company during the year.
b) Auditors have not filed any report under section 143 (12) of the Companies Act 2013 with Central Government
c) There is no whistle-blower complaint received during the year by the company
- xii) In our opinion & according to the information & explanation given to us, the company is not a nidhi company. Accordingly, this clause of the order is not applicable.
- xiii) Transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where ever applicable & the details have been disclosed in financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion & according to information & explanation given to us, company has internal audit system, commensurate with the size of the company and the nature of its business.
b) Reports by the internal auditors has been considered by the statutory auditors.
- xv) Company has not entered in to non cash transactions with Directors or persons connected with him as referred in section 192 of the Companies Act, 2013.
- xvi) a) Company is not required to be registered under u/s 45-IA of the Reserve Bank of India Act, 1934.
b) Company has not conducted any non-banking financial or housing finance activities.

- c) Company is not a Core Investment Company.
- d) Group do not have any Core Investment Company.
- xvii) There are no accumulated losses at the end of the financial year of the company and neither any cash losses are incurred in such financial year or in the immediately preceding financial year.
- xviii) There is no resignation by the statutory auditors during the year.
- xix) In our opinion & according to information & explanation given to us, there is no material uncertainty exists on the date of audit report. Company is capable of meeting its liabilities existing at the date of balance sheet and when they fall due within a period of one year from the balance sheet date.
- xx) There is no unspent amount as per provisions of section 135 of the Companies Act, 2013
- xxi) The reporting on qualification or adverse remark issued by the respective auditors is not applicable in respect of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For N.R. Agrawal & Company
Chartered Accountants
Firm Reg. No. 100143W

Place: Mumbai
Date: 29th May 2026

N.R. Agrawal
Partner
Membership No: .030117
UDIN:- 26030117PGAMJU4698

Annexure B to the Auditors' Report

Report on the Internal Financial control under Clause (i) of Sub – section 3 of Section 143 of the Companies Act, 2013 (the Act).

We have audited the Internal Financial controls over financial reporting of M/s Nath Industries Ltd as of 31st March 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting.

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable details, 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 preparing of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the

management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For N.R. Agrawal & Company
Chartered Accountants
Firm Reg. No. 100143W

Place: Mumbai
Date: 29th May 2026

N.R. Agrawal
Partner
Membership No: .030117
UDIN:- 26030117PGAMJU4698

Nath Industries Limited
Balance Sheet as at March 31, 2026
L21010MH1980PLC022820

Particulars	Note No.	(Rs in Lakhs)	
		As on 31.03.2026	As on 31.03.2025
Assets			
Non-current assets			
(a) Property, plant and equipment	2	27,903.09	28,053.17
(b) Capital work-in-progress	2	146.54	36.83
(c) Financial assets			
(i) Investments	3	0.20	0.20
(ii) Loans and Advances	4	821.38	615.27
(iii) Other Financial Assets	5	551.54	547.01
(d) Other non-current assets	6	1,899.04	1,881.18
		31,321.79	31,133.66
Current assets			
(a) Inventories	7	4,589.08	3,868.62
(b) Financial assets			
(i) Investments	8	686.39	775.92
(ii) Trade receivables	9	6,229.81	7,051.71
(iii) Cash and Cash Equivalents	10	856.46	12.66
(iv) Loans and advances	11	230.09	-
(v) Other Current Financial Assets	12	904.01	445.51
(c) Other current assets	13	1,237.83	1,847.75
		14,733.67	14,002.17
Total Assets		46,055.46	45,135.83
Equity and Liabilities			
Equity			
(a) Equity share capital	14	1,900.00	1,900.00
(b) Other equity	15	24,072.22	23,453.89
		25,972.22	25,353.89
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,289.79	2,427.00
(ii) Deferred Sales Tax Liabilities payable as per Govt Scheme	17	3,010.82	3,010.82
(b) Other non-current liabilities	18	321.80	316.80
(c) Provisions	19	503.01	524.61
(d) Deferred tax liabilities (net)	20	2,902.74	2,660.64
		8,028.16	8,939.87
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	8,011.26	6,973.78
(ii) Trade payables	22	2,401.62	2,311.95
(b) Other current liabilities	23	915.41	849.44
(c) Provisions	24	618.89	531.90
(d) Current Tax Liabilities (net)		107.90	175.00
		12,055.08	10,842.07
Total Equity and Liabilities		46,055.46	45,135.82
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 48		

IN TERMS OF OUR REPORT ATTACHED
FOR N.R. AGRAWAL & CO
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100143W

N R AGRAWAL
(PARTNER)
M NO. 30117
UDIN:-26030117PGAMJU4698
PLACE: MUMBAI
Date:-29th May 2026

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL
(MANAGING DIRECTOR)
DIN: 01691724

ABHAYKUMAR JAIN
(DIRECTOR)
DIN: 02454426

Nath Industries Limited
Statement of Profit and Loss for the year ended March 31, 2026
L21010MH1980PLC022820

(Rs in Lakhs)			
Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
Income			
Revenue from operations	25	49,068.75	42,447.24
Other income	26	417.86	299.61
Total income		49,486.61	42,746.85
Expenses			
Cost of material consumed	27	34,161.88	27,444.17
Purchase - Trading	28	36.33	96.65
Changes in inventories	29	(562.29)	349.34
Employee benefits expense	30	2,255.43	2,156.92
Finance costs	31	1,053.20	1,214.37
Depreciation and amortization expense	2	933.99	954.85
Other expenses	32	10,673.83	9,232.33
Total expenses		48,552.37	41,448.64
Profit before tax		934.24	1,298.21
Tax expense :			
(1) Current tax		163.05	227.37
(2) Deferred tax		242.10	324.09
(3) MAT Credit recognised		(155.94)	(227.37)
(4) Income tax adjustment of earlier years		17.33	0.40
Total		266.54	324.49
Profit for the year		667.70	973.72
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		40.18	3.12
(ii) Income tax related to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss		(89.54)	(148.43)
(ii) Income tax related to items that will be reclassified to profit or loss			-
Total comprehensive income for the period		618.34	828.41
Earnings per equity share			
(1) Basic		3.51	5.12
(2) Diluted		3.51	5.12
Significant Accounting Policies and notes form an integral part of Financial Statements	1 & 33 to 48		

IN TERMS OF OUR REPORT ATTACHED
FOR N.R. AGRAWAL & CO
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100143W

N R AGRAWAL
(PARTNER)
M NO. 30117
UDIN:-26030117PGAMJU4698
PLACE: MUMBAI
Date:-29th May 2026

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL
(MANAGING DIRECTOR)
DIN: 01691724

ABHAYKUMAR JAIN
(DIRECTOR)
DIN: 02454426

Particulars	For the Year Ended 31st Mar, 2026		For the Year Ended 31st Mar, 2025	
A. Cash flow from operating activities				
Net Profit after Tax		667.70		973.72
Adjustments for:				
Depreciation and amortisation	933.99		954.85	
Finance costs	1,053.20		1,214.37	
Tax Expenses	405.15		551.46	
Interest income	(177.48)		(143.77)	
Dividend Income	(10.67)		(10.64)	
Loss/ (Profit) on Sale of Asset	0.78		(80.74)	
		2,204.97		2,485.52
Operating profit / (loss) before working capital changes		2,872.68		3,459.24
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(720.47)		726.26	
Trade receivables	821.90		(2,069.33)	
Security Deposits	(4.53)		(15.75)	
Current Financial Assets	(458.50)		209.79	
Other Current Assets	609.91		(487.17)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	89.67		(537.80)	
Other Non-current liabilities	5.00		(18.04)	
Other current liabilities	65.98		330.72	
Net Income tax Paid	(445.00)		(279.74)	
Provision for Expenses / (Paid)	71.56		40.67	
Short Term Employee Benefits Paid	15.43		88.14	
Long Term Employee Benefits Paid	18.57	69.52	(52.24)	(2,064.49)
Net cash flow from / (used in) operating activities (A)		2,942.20		1,394.75
B. Cash flow from investing activities				
Capital expenditure on fixed assets	(783.91)		(155.99)	
Change in Capital work in progress	(109.70)		(0.00)	
Advance Received back / (given) for Development of Land	(16.87)		15.24	
Advance Received back / (given) for purchase of Land	(0.99)		(0.00)	
Loans and advances Received Back /(Given)	(221.36)		297.00	
Capital Advances Paid	-		-	
Interest received	177.48		143.77	
Dividend Received	10.67		10.64	
Profit/(loss) on Sale of Asset	(0.78)		80.74	
		(945.47)		391.40
Net cash flow from / (used in) investing activities (B)		(945.47)		391.40
C. Cash flow from financing activities				
Increase / (Repayment) of Long term Borrowings	(1,137.20)		(848.11)	
Increase / (Repayment) of Short-term borrowings from Banks	1,037.48		(339.08)	
Finance cost	(1,053.20)	(1,152.93)	(1,214.37)	(2,401.55)
Net cash flow from / (used in) financing activities (C)		(1,152.93)		(2,401.55)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		843.80		(615.40)
Cash and cash equivalents at the beginning of the year		12.66		628.06
Cash and cash equivalents at the end of the year		856.46		12.66
Comprises: Cash and Cash Equivalents				
(a) Cash on hand		7.65		10.59
(b) Balances with banks in Current Accounts		848.81		2.07
		856.46		12.66

IN TERMS OF OUR REPORT ATTACHED
FOR N.R. AGRAWAL & CO
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100143W

N R AGRAWAL
(PARTNER)
M NO. 30117
UDIN:-26030117PGAMJU4698
PLACE: MUMBAI
Date:-29th May 2026

For NATH INDUSTRIES LIMITED

AKASH KAGLIWAL
(MANAGING DIRECTOR)

ABHAYKUMAR JAIN
(DIRECTOR)

Statement of Changes in Equity:-

A. Equity Share Capital

(Rs in Lakhs)				
Balance as at 01st April 2025	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2025	Changes in equity share capital during the current year	Balance as at 31st March 2026
1,900.00	-	-	-	1,900.00

Balance as at 01st April 2024	Changes in Equity Share Capital due to prior period errors	Restated Balance as on 01st April 2024	Changes in equity share capital during the current year	Balance as at 31st March 2025
1,900.00	-	-	-	1,900.00

B. Other Equity as on 31st March 2026

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2025	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.88
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.88
Profit for the year	-	-	-	-	-	667.70	-	667.70
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	(49.36)	(49.36)
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	16,051.63	(635.73)	24,072.22
Dividend	-	-	-	-	-	-	-	-
Transfer to /(From) Retained earning	-	-	-	-	-	-	-	-
Balance as at 31st March 2026	45.00	570.07	31.25	7,710.00	300.00	16,051.63	(635.73)	24,072.22

B. Other Equity as on 31st March 2025

	Reserve and Surplus						Other Comprehensive Income	Equity attributable to shareholder of the Company
	Capital Subsidy	Capital Reserve	Forfeited Share App. Money	Share Premium	General Reserve	Retained Earnings		
Balance as at 01st April 2024	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47
Changes in Accounting Policies or prior period errors	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	45.00	570.07	31.25	7,710.00	300.00	14,410.21	(441.06)	22,625.47
Profit for the year	-	-	-	-	-	973.72	-	973.72
Other Comprehensive Income/(Losses)	-	-	-	-	-	-	(145.30)	(145.30)
Total Comprehensive Income	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.88
Dividend	-	-	-	-	-	-	-	-
Transfer to /(From) Retained earning	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	45.00	570.07	31.25	7,710.00	300.00	15,383.93	(586.36)	23,453.88

NOTE NO. 1

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31st March 2026

A. CORPORATE INFORMATION:

Nath Industries Limited –CIN L21010MH1980PLC022820 (the ‘Company’) is a public company limited by shares domiciled in India and is incorporated under the provision of the Companies Act applicable in India.

Company’s registered office is located at Nath House, Nath Road, Aurangabad (Maharashtra) and its manufacturing facilities are situated at Paithan (Maharashtra) & Vapi (Gujrat). The Company is mainly engaged in the business of manufacturing and selling of various types of industrial & specialty papers & industrial chemicals.

The equity shares of the Company are listed on the Bombay Stock Exchange Limited in India.

The financial statements were approved and authorized for issue in accordance with the resolution of the Company’s Board of Directors on 29th May 2026.

B. SIGNIFICANT ACCOUNTING POLICIES.

a) Basis of Preparation & presentation:

- i. The financial statements have been prepared on historical cost basis in accordance with applicable Indian Accounting Standards (herein after referred to as ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting.
- ii. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.
- iii. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

(b) Revenue Recognition:

(i) Products

Revenue from sale of goods is recognized when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. Sales are net of sales returns and Good and Service Tax (GST).

(ii) Services

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue from services is recognized on completion of services.

(iii) Other Income

Other Income such as Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Goods and Service tax (GST) is accounted based on both, payments made in respect of goods cleared / services provided.

(iv) Export Benefits

Export entitlements (arising out of Duty Drawback and RoDTEP) are recognized when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(c) Use of Estimates:

The preparation of the financial statements is in conformity with the Indian generally accepted accounting principles which requires making judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based on the Managements best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(d) Property ,Plant & Equipment:

- i. Land and Building held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at fair value less accumulated depreciation and impairment losses. Freehold land is not depreciated while lease hold land is amortized over its balance lease life.
- ii. Assets other than land and building are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such assets are classified into appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.
- iii. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

- iv. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the 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 recognized in profit or loss.
- v. Machinery spares procured along with the plant and machinery or subsequently and whose use is expected to be irregular are capitalized separately, if cost of such spares is known and depreciated fully over the residual useful life of the related plant and machinery. If the cost of such spares is not known particularly when procured along with the mother plant, these are capitalized and depreciated along with the mother plant. The written down value (WDV) of the spares is charged as revenue expenditure in the year in which such spares are consumed. Similarly, the value of such spares procured and consumed in a particular year is charged as revenue expenditure in that year itself.
- vi. Subsequent expenditure related to an item of fixed asset is added back to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.
- vii. All the other expenses of existing fixed assets, including day to day repair and maintenance expenditure, are charged to the statement of profit and loss account to the period during which such expenses are incurred.

(e) Capital work in Progress:

Expenditure related to and incurred during the construction / implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

(f) Depreciation /Amortization:

- i) Depreciation on tangible Property, plant and equipment is provided for on basis of useful life specified in Schedule II to the Act.
- ii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of Property, plant and equipment. The useful life is adopted for the purpose of depreciation is as under:-

Assets	F.Y. 2025-26 Useful Life	F.Y. 2025-26 Rate of Dep %
<u>Building :</u>		
Pulp mill building , security cabin and flats	60	1.58
Site development, drainage, bldg. staff qtrs.	60	1.58
Factory building	30	3.17
Roads	10	9.50

<u>Plant & Machinery :</u>	10	9.50
Electrical installation, effluent treatment plant, gas cylinder		
Energy conveyor equipment	25	3.80
Paper machine, gen plant & Machinery, boiler, Steam line		
pipe, DM plant, coal conveyor, water line	25	3.80
Energy saving equipment, steam turbine, bore well	25	3.80
Workshop plant & lab equip. Water meter	25	3.80
Co-generation Power Plant	40	2.38
<u>Furniture, Fixture & Equipment:</u>		
Furniture & fixture, air conditioner	10	9.50
Office equipment	5	19.00
HF Transmitter	5	19.00
Water cooler	5	19.00
Computer	3	31.67
<u>Vehicles :</u>		
Van and Scooter	10	9.50
Motor Car	8	11.88
Pay Loader	8	11.88

- iii) The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.
- iv) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work in Progress.

(g) Intangible Assets

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Computer Software for internal use, which is primarily acquired from third-party vendor is capitalized. Subsequent costs associated with maintaining such software are recognized as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized. Computer software are amortized on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortization method and useful lives are reviewed periodically at each financial year end.

(h) Impairment of Tangible and Intangible Assets:

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

(i) Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period 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 period of time to get ready for their intended use or sale.

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

(j) Investments:

- (i) Investments which are readily realizable and intended to be held for not more than a year, from the date of acquisition, are classified as current investments. All other investments are classified as non-current investments.

- (ii) On initial recognition, all investments are measured at cost. The Cost comprises purchase price and directly attributable acquisition charges such as brokerages, fees and duties. If an investment is acquired, or partly acquired, by the issue of share or other securities, the acquisition cost is the fair market value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by the reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- (iii) Provision for diminution in value of investments is made to recognize a decline in the value of investments. Investments other than long term investments being current investments are valued at market value as on balance sheet date determined on an individual basis.
- (iv) On disposal of an investment, the difference between its carrying amount and net disposal proceeds, is charged to or credited to the Statement of Profit & Loss.

(k) Inventories:

- (i) Raw materials, components, stores and spares are valued at lower of cost and net realizable value.
- (ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value which includes appropriate production overheads.
- (iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(l) Cash & Cash Equivalents:-

In the Cash Flow Statement, Cash & cash equivalents comprises cash in hand and demand deposit with banks. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand and cheques in hand.

(m) Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that (a) the company will comply with the conditions attached to them, and (b) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Grants which are given as equity support are disclosed as promoter contribution under the head Capital Reserve.

(n) Loans & Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. 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 capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are de-recognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

(o) Deferred Sales tax Liability and Deferred Sales Tax Asset:-

Deferred Sales Tax/SGST Liability is the liability pursuant to the company being eligible under package scheme of incentives (PSI-1988) of Government of Maharashtra and Government Resolution no IDL/1093/(8889)/IND-8 dated 07th May 1993. Company was eligible to collect the sales tax upto 31st October 2020 and defer its payment as per the Package scheme of Incentives. Accordingly, Company recognizes the same as deferred sales tax liability as current liability and non-current liability

However, while giving impact of extension of additional eight years as per order of Hon'ble BIFR, Joint Commissioner of Sales Tax, Sales Tax Department, Govt of Maharashtra, had considered original due date based upon repayment after ten years in five equal annual Installment, whereas as per the Government Resolution No.IDL/1093/(8889)AIND-8 dated 7th May 1993, unit situated in Marathwada and Vidarbha are required to pay the deferred sales tax after 18 years in seven equal annual instalments. Therefore, the same has been re- arranged/re grouped in the current financial year.

Further, with the introduction of GST, Company was eligible to get refund of Gross SGST for the period of 1st July 2017 to 31st October 2020, based upon approved eligible investment. Accordingly, Company had recognized refund receivable as current Asset and deferred its repayment as Non-Current Liability.

(p) Taxes on Income

Income Tax

Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

Deferred Tax Asset /Liability

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company recognizes interest levied and penalties related to Income Tax assessments in the tax expense.

(q) Foreign Currency Transactions:**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transactions.

ii) **Conversion**

Foreign currency monetary items are translated using the exchange rate prevailing on the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate on the date of transaction. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate on the date when such value was determined.

(r) **Employee Benefits :**

i) **Defined Contribution Plan**

The company has defined contribution plan namely Provident Fund & Employees State Insurance Contribution, administered by the Regional Provident Fund Commissioner. Regular contributions made to Provident Fund are charged to the Statement of Profit and Loss. The company has no further obligation beyond making its contribution on monthly basis.

The Company recognized contribution payable to this fund/scheme as expenditure, when an employee renders the related services. If the contribution payable to these funds/schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds/schemes are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii) **Defined Benefit Plan;**

The Company determines the present value of the defined benefit obligation and recognizes the liability or asset in the balance sheet.

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

Defined benefit costs are composed of:

(a) service cost – recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.

(b) re-measurement of the liability or asset - recognized in other comprehensive income.

(c) re-measurement of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

Short-term benefits: A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short-term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Other long-term benefits: Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Gratuity:

The gratuity liability is determined on the basis of actuarial valuation as at year end. Provision in respect of leave encasement is made based on the basis of actual leave balance of employees at the end of the Year in accordance with Indian Accounting Standard-19 on "Employee Benefits"

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with independent actuarial valuations being carried out at each balance sheet date.

Leave Encashment:-

The company provides for leave encashment liability of its employees who are eligible for encashment of accumulated leave based as on the balance sheet date.

Bonus:-

The company recognizes a liability and expense for bonus. The company recognizes a provision where contractually obliged or where there is past practice that has created a constructive obligation.

(s) Financial Assets at Amortized Cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(t) Financial Assets at Fair Value through other Comprehensive Income :

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and a contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payment of the principal and interest on the principal amount outstanding.

(u) Dividend Distribution to Equity-holders

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(v) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(w) Provisions & Contingent Liabilities:

Provisions:

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. 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 period. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent Liabilities:

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(x) Financial Assets at Fair Value through Profit or Loss Account:

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

(y) Financial Liabilities:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Financial liabilities are measured at amortized cost using the effective interest method.

(z) Reclassification of Financial Assets & Liabilities:

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

(aa) Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is no intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Nath Industries Limited

Notes to financial statements for the year ended March 31, 2026

Note no 2:- Property, Plant and Equipment:-

Property, Plant and Equipment, and Intangible Asset as on 31st March 2026:-

(Rs in Lakhs)											
Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Net Block as on 31.03.2026	Net Block as on 31.03.2025
		Opening Balance as on 01.04.2025	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2026	Balances as at April 1, 2025	Depreciation charge for the year	Depreciation on asset sold/ disposed off	Total Accumulated Depreciation upto 31.03.2026		
1	Freehold Land	5,055.97	-	-	5,055.97	-	-	-	-	5,055.97	5,055.97
2	Leasehold Land	7,023.20	-	-	7,023.20	953.40	113.82	-	1,067.22	5,955.98	6,069.80
3	Building	1,942.45	102.90	(39.50)	2,005.85	592.58	61.10	(11.40)	642.28	1,363.57	1,349.88
4	Plant and equipment	18,321.91	733.55	(168.61)	18,886.85	3,320.28	673.78	(44.86)	3,949.20	14,937.66	15,001.64
5	Office equipments	39.10	3.79	-	42.89	25.71	7.23	-	32.94	9.95	13.39
6	Electrical Installation	541.58	-	-	541.58	120.01	51.45	-	171.46	370.13	421.58
7	Furniture and Fixtures	157.72	1.29	-	159.02	64.98	13.04	-	78.02	80.99	92.74
8	Computers	29.86	2.12	-	31.98	25.09	2.33	-	27.41	4.57	4.77
9	Vehicles	322.50	92.12	-	414.62	279.11	11.24	-	290.35	124.27	43.39
	Total	33,434.31	935.77	(208.11)	34,161.97	5,381.15	933.99	(56.25)	6,258.87	27,903.09	28,053.17
	Capital Work in progress									146.54	36.83

Property, Plant and Equipment, and Intangible Asset as on 31st March 2025:-

(Rs in Lakhs)											
Sr No	Particulars	ASSET				ACCUMULATED DEPRECIATION				Net Block as on 31.03.2025	Net Block as on 31.03.2024
		Opening Balance as on 01.04.2024	Addition During the year	Sold/ Disposed During the year	Balance as on 31.03.2025	Balances as at April 1, 2024	Depreciation charge for the year	Depreciation on asset sold/ disposed off	Total Accumulated Depreciation upto 31.03.2025		
1	Freehold Land	5,136.64	-	(80.67)	5,055.97	-	-	-	-	5,055.97	5,136.64
2	Leasehold Land	7,023.20	-	-	7,023.20	839.57	113.82	-	953.40	6,069.80	6,183.63
3	Building	1,961.39	35.93	(54.87)	1,942.45	532.27	62.49	(2.18)	592.58	1,349.88	1,429.13
4	Plant and equipment	18,089.84	232.08	-	18,321.91	2,651.77	668.50	-	3,320.28	15,001.64	15,438.06
5	Office equipments	36.87	2.23	-	39.10	18.86	6.85	-	25.71	13.39	18.01
6	Electrical Installation	525.37	16.21	-	541.58	69.46	50.55	-	120.01	421.58	455.92
7	Furniture and Fixtures	157.03	0.69	-	157.72	51.10	13.88	-	64.98	92.74	105.93
8	Computers	27.65	2.21	-	29.86	23.41	1.67	-	25.09	4.77	4.24
9	Vehicles	322.50	-	-	322.50	242.03	37.07	-	279.11	43.39	80.47
	Total	33,280.50	289.34	(135.53)	33,434.31	4,428.48	954.85	(2.18)	5,381.14	28,053.17	28,852.03
	Capital Work in progress									36.83	36.83

Capital Work-in progress ageing as on 31st March 2026

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Project in progress	146.54	-	-	-	146.54
Total	146.54	-	-	-	146.54

Capital Work-in progress ageing as on 31st March 2025

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Project in progress	-	-	-	36.83	36.83
Total	-	-	-	36.83	36.83

Note 3 : Non-current investments

(Rs in Lakhs)		
Particulars	As on 31.03.2026	As on 31.03.2025
<u>Investment at Fair Value Through Other Comprehensive Income</u>		
<u>Investment in Equity Instruments</u>		
Unquoted shares		
2,000 Eq Shares of M/s Saraswat Co-operative Bank Ltd	0.20	0.20
Total	0.20	0.20
Aggregate amount of unquoted investments	0.20	0.20
Aggregate amount of impairment in value of investments	-	-

Note 4 : Non-current Loans and advances

Particulars	As on 31.03.2026	As on 31.03.2025
Loans and Advances	51.36	60.09
Mat Credit Entitlement	770.02	555.18
Total	821.38	615.27

Note 5 : Non-current Other financial Assets

Particulars	As on 31.03.2026	As on 31.03.2025
Security Deposits	422.12	421.73
Earmarked Bank Deposits	129.42	125.28
Total	551.54	547.01

Note 6 : Other non-current assets

Particulars	As on 31.03.2026	As on 31.03.2025
Capital Advances	-	-
Advances for land development	692.52	675.65
Advances for purchase of land	1,206.52	1,205.53
Total	1,899.04	1,881.18

Note 7 : Inventories

Particulars	As on 31.03.2026	As on 31.03.2025
Raw Materials	1,881.82	1,616.66
Coal/Lignite Stock	37.75	51.31
Dyes and Chemicals	274.93	258.73
Stores, Spares & Tools	660.93	491.87
Finished Goods	1,633.70	1,255.93
Stock In Process	99.95	194.12
Total	4,589.08	3,868.62

Note 8 : Current Investments

Particulars	As on 31.03.2026	As on 31.03.2025
<u>Investment at Fair Value Through Other Comprehensive Income</u>		
<u>Investment in Equity Instruments</u>		
5,32,000 Eq Shares of M/s Nath Biogene (I) Ltd (Quoted , Face Value per share Rs. 10/-, Average cost per share is Rs. 247.10/- per share and market price as on 31.03.2026 is Rs. 129.02 (Previous year is Rs 145.85)	686.39	775.92
Total	686.39	775.92
Aggregate amount of quoted investments (Cost)	1,314.55	1,314.55
Aggregate amount of quoted investments (Market Value)	686.39	775.92

Note 9 : Trade receivables

Particulars	As on 31.03.2026	As on 31.03.2025
<u>Due for a period of more than six months</u>		
Secured, considered good	0.85	-
Unsecured, considered good	143.91	233.61
Unsecured, considered doubtful	10.33	9.02
Total Debtors o/s for more than 6 months	155.09	242.63
<u>Others</u>		
Secured, considered good	42.55	48.85
Unsecured, considered good	6,032.17	6,760.23
Total Other o/s Debtors	6,074.72	6,809.08
Total	6,229.81	7,051.71

Trade Receivable ageing Schedule as on 31st March 2026

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 year	Total
Un-disputed Trade Receivables -Considered Good	6,074.72	21.67	29.51	6.76	86.82	6,219.48
Undisputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Un-disputed Trade Receivables -Credit Impaired	-	-	-	0.26	10.07	10.33
Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables -Credit Impaired	-	-	-	-	-	-
TOTAL	6,074.72	21.67	29.51	7.02	96.89	6,229.81

Trade Receivable ageing Schedule as on 31st March 2025

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 year	Total
Un-disputed Trade Receivables -Considered Good	6,808.52	117.22	15.23	2.55	98.61	7,042.13
Undisputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Un-disputed Trade Receivables -Credit Impaired	0.56	-	7.36	-	1.66	9.58
Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables -Credit Impaired	-	-	-	-	-	-
TOTAL	6,809.08	117.22	22.59	2.55	100.27	7,051.71

Note 10 : Cash and Cash Equivalents

Particulars	As on 31.03.2026	As on 31.03.2025
Cash and cash equivalents		
Balances with Scheduled banks	848.81	2.07
Cash on hand	7.65	10.59
Total	856.46	12.66

Note 11 : Current Loans and advances

Particulars	As on 31.03.2026	As on 31.03.2025
Loans and Advances	230.09	-
Total	230.09	-

Note 12 : Other current financial assets

Particulars	As on 31.03.2026	As on 31.03.2025
Security Deposit	-	-
Interest accrued on deposits	40.98	32.96
Interest receivable	153.69	269.82
Advances to Employees	26.49	24.63
Export Incentive Receivable	28.12	52.41
Deferred Sales Tax Receivable	-	40.68
Other	654.73	25.01
Total	904.01	445.51

Note 13 : Other Current Assets

Particulars	As on 31.03.2026	As on 31.03.2025
Prepaid expenses	170.24	147.83
Advance for Expenses	0.78	11.47
Balances with government authorities	37.62	708.17
Advances to suppliers	1,029.19	980.28
Total	1,237.83	1,847.75

Note 14 : Equity Share Capital

(Rs in Lakhs)				
Particulars		As on 31.03.2026		As on 31.03.2025
Share capital				
Authorised :		5,350.00		5,350.00
5,35,00,000 Equity Shares of Rs. 10/- each				
(Previous Year 5,35,00,000 Equity Shares of Rs 10 each)				
Issued, Subscribed and Fully Paid up :				
1,90,00,000 Equity Shares of Rs. 10/- each		1,900.00		1,900.00
(Previous Year 1,90,00,000 Equity Shares of Rs.10 each)				
(a) Reconciliation of Number of Shares				
Issued, Subscribed and Fully Paid up :				
Equity Shares as on 01.04.2025		1,90,00,000		1,90,00,000
Add:- Issued During the year				-
Total Equity Share capital As on 31.03.2026		1,90,00,000		1,90,00,000
(b) List of Shareholders holding more than 5% of the total Number of Share issued by the Company	No of shares	Holding %	No of shares	Holding %
M/s. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%
M/s Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%
M/s. Tapovan Paper Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%

(c) Disclosure regarding Shareholding of promoters
Shareholding of Promoters as at 31st March 2026

Promoter Name			No of Shares	Holding %
1. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%
2. Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%
3. Tapovan Paper and Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%

Shareholding of Promoters as at 31st March 2025

Promoter Name		No of Shares	No of Shares	Holding %
1. Akash Farms LLP	69,27,809	36.46%	69,27,809	36.46%
2. Ashu Farms LLP	59,39,745	31.26%	59,39,745	31.26%
3. Tapovan Paper and Board Pvt Ltd	10,00,000	5.26%	10,00,000	5.26%

Note 15 : Other equity

Particulars		As on 31.03.2026		As on 31.03.2025
Capital Subsidy		45.00		45.00
		-		
Capital Reserve		570.07		570.07
		-		
Forfieted Share App. Money		31.25		31.25
		-		
Share Premium		7,710.00		7,710.00
		-		
General Reserve		300.00		300.00
Retained Earnings				
Opening Balance		15,383.93		14,410.21
Add:- Net profit after Tax for the year		667.70		973.72
Total Retained earning		16,051.63		15,383.93
Other Comprehensive Income				
Opening Balance		(586.36)		(441.06)
Less: Other Comprehensive Profit /(Loss) for the year		(49.36)		(145.30)
Total Other Comprehensive Loss		(635.73)		(586.36)
Total		24,072.22		23,453.89

Note 16 : Non-current Borrowings

Particulars		As on 31.03.2026		As on 31.03.2025
Term Loans from Financial Institutions		1,139.93		2,408.16
Vehicle Loan		56.86		18.84
Long term Borrowings from Others		93.00		-
Total		1,289.79		2,427.00

Note 17: Deferred Sales Tax Liabilities

Particulars		As on 31.03.2026		As on 31.03.2025
Deferred Sales Tax Liabilities - VAT		2,171.50		2,171.50
Deferred Sales Tax Liabilities - SGST		839.32		839.32
Total		3,010.82		3,010.82

Note 18: Other Non-Current Liabilities

Particulars		As on 31.03.2026		As on 31.03.2025
Trade Deposits		321.80		316.80
Total		<u>321.80</u>		<u>316.80</u>

Note 19: Provisions (Non-current)

Particulars		As on 31.03.2026		As on 31.03.2025
Provision for gratuity		388.49		413.13
Provision for leave encashment		114.52		111.48
Total		<u>503.01</u>		<u>524.61</u>

Note No 20:- Deferred Tax Liabilities / (Asset)

Particulars		As on 31.03.2026		As on 31.03.2025
<u>Deferred Tax Liability</u>				
Fixed Assets		3,796.18		3,657.88
<u>Deferred Tax Asset</u>				
Employee Benefit		201.81		190.60
Long Term Capital Loss		3.30		2.64
Carry Forward Loss		688.33		804.00
Total		<u>2,902.74</u>		<u>2,660.64</u>

Note 21: Current Borrowings

Particulars		As on 31.03.2026		As on 31.03.2025
Short Term Bank Borrowing		7,287.35		6,271.14
Current maturity of long term loans		723.90		702.64
Total		<u>8,011.26</u>		<u>6,973.78</u>

Note 22 : Trade payables

Particulars		As on 31.03.2026		As on 31.03.2025
Outstanding dues of micro and small enterprises		66.94		14.63
Others		2,334.68		2,297.32
Total		<u>2,401.62</u>		<u>2,311.95</u>

Trade Payables ageing Schedule as on 31st March 2026

Particulars	Outstanding for following periods from the due date of payment				
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 Years	TOTAL
(i) MSME	65.22	-	1.72	-	66.94
(ii) Others	2,198.80	26.66	20.92	33.92	2,280.29
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues-Others				54.39	54.39
TOTAL	<u>2,264.02</u>	<u>26.66</u>	<u>22.63</u>	<u>88.31</u>	<u>2,401.62</u>

Trade Payables ageing Schedule as on 31st March 2025

Particulars	Outstanding for following periods from the due date of payment				
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 Years	TOTAL
(i) MSME	14.05	0.58	-	-	14.63
(ii) Others	2,121.05	66.95	17.43	37.50	2,242.93
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	54.39	54.39
TOTAL	<u>2,135.10</u>	<u>67.53</u>	<u>17.43</u>	<u>91.89</u>	<u>2,311.95</u>

Note 23 : Other current liabilities

Particulars		As on 31.03.2026		As on 31.03.2025
Advance from customers		340.31		330.58
Trade deposits		103.86		29.40
Other advance		1.48		10.38
Statutory Liabilities		286.68		315.24
Other Liabilities		183.08		163.84
Total		<u>915.41</u>		<u>849.44</u>

Note 24 : Provisions (Current)

Particulars		As on 31.03.2026		As on 31.03.2025
Provision for expenses		345.69		274.14
Provision for gratuity		191.83		178.28
Provision for leave encashment		17.56		19.19
Provision for bonus		63.81		60.29
Total		618.89		531.90

Nath Industries Limited

Notes to financial statements for the year ended March 31, 2026

Note 25 : Revenue from operations

(Rs in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing		
Papers	29,065.65	27,396.10
Chemicals	19,363.25	13,795.30
Other revenues	603.57	1,148.73
Trading		
Waste papers	36.28	107.11
Chemicals	-	-
Total	49,068.75	42,447.24

Note 26 : Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
- from banks	15.37	13.05
- from others	162.11	130.72
- from Income Tax Refund	145.73	1.48
Dividend income	10.67	10.64
Insurance claim	8.59	12.64
Other miscellaneous income	14.64	8.56
Exchange Rate Gain/(Loss)	60.75	40.88
Profit on sale of Asset	-	81.64
Total	417.86	299.61

Note 27 : Cost of material consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials		
Opening stock	1,875.39	2,187.01
Add : Purchases	34,443.24	27,132.55
Less : Closing stock	(2,156.75)	(1,875.39)
Total	34,161.88	27,444.17

Note 28 : Purchase (Trading)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Waste paper	36.33	96.65
Chemicals	-	-
Total	36.33	96.65

Note 29 : Changes in inventories:-

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock of finished goods & work-in progress	1,450.05	1,799.39
Closing stock of finished goods & work-in progress	(2,012.34)	(1,450.05)
Total	(562.29)	349.34

Note 30 : Employee benefits expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries & wages	2,026.81	1,937.94
Contribution to provident fund and other funds	111.76	107.71
Staff welfare expenses	116.86	111.27
Total	2,255.43	2,156.92

Note 31 : Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on Working Capital	811.59	896.67
Interest on term loans	217.13	297.06
Interest on trade deposits	11.88	12.16
Interest on others	12.60	8.48
Total	1,053.20	1,214.37

Note 32 : Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stores ,Spares & Packing Material Consumption	1,896.01	1,937.19
Power & fuel	4,301.94	3,541.80
Water charges	226.45	221.85
Repair to others	5.27	6.88
Repairs to building	16.19	4.18
Repairs to plant & machinery	406.63	268.40
Other Manufacturing Expenses	351.74	291.50
Hire charges - fork lift	34.62	32.48
Insurance charges	56.45	49.87
Transportation & materials handling	215.38	211.68
Technical consultation charges	40.86	40.44
Discount on sales	1,279.03	1,131.88
Freight outward charges	639.77	639.35

Bank charges	30.31	31.41
Auditor's fees	5.60	3.50
Auditor's Reimbursement	0.55	0.44
Tax audit fees	4.50	4.50
For Income tax Matters	0.95	2.96
For Certification	0.20	0.30
	-	
Internal audit fees	3.80	3.00
Cost Audit fees	1.35	2.00
GST Audit fees	0.65	0.50
Corporate social responsibility expenses	8.73	-
Donation	-	-
	-	
Legal & professional fees	436.65	414.46
License, inspection and testing charges	8.59	6.60
Listing fees	3.25	3.25
Membership fees & subscription	26.39	17.69
Depository service charges	2.71	3.02
Business Development / Business promotion expenses	13.32	10.37
Computer expenses	6.36	7.47
Conveyance	21.36	21.14
Corporate office expenses	10.99	12.01
Garden expenses	8.97	8.24
GST Expenses	0.58	3.96
Loss on sale of Assets	0.78	0.90
Motor car expenses	38.07	33.49
Stamp Duty Expense	3.77	0.25
Other expenses	61.61	61.94
Postage & telegram	4.02	4.23
Printing & stationery	11.95	12.81
Prior Year Expenses	-	0.44
Rent, rates & taxes	30.40	33.40
Security services	31.37	33.25
Sundry balances written off	353.97	65.04
Telephone Expenses	6.09	4.92
Travelling expenses	65.65	47.34
Total	10,673.83	9,232.33

Note No.:33**Financial Instruments and Risk Review:****i) Capital Management:-**

The Company's capital management objectives are to maintain a strong capital base so as to maintain investors, creditors and market confidence and to future development of the business. The Board of Directors monitor return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

(Rs. In Lakhs)		
Particulars	As on 31.03.2026	As on 31.03.2025
Net Debts* (A)	12,311.87	12,411.60
Equity ** (B)	25,972.22	25,353.89
Debt Equity Ratio (A/B)	0.47	0.49

* Net Debts includes Non-Current borrowings, Deferred Sales Tax Liability and Current borrowings.

** Equity Includes share capital and other equity.

ii) Credit Risk:-

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted after necessary approvals for credit.

Financial instruments that are subject to credit risk principally consists of trade receivable, investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk.

Exposure to credit risk:-

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables and loans and advances:-

(Rs. In Lakhs)		
Particulars	As on 31.03.2026	As on 31.03.2025
Trade Receivables	6,229.81	7,051.71
Loans and Advances	281.45	60.09
TOTAL	6,511.26	7,111.80

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or group of financial assets is impaired. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition

Before accenting any new customer, the Company uses an external/internal credit scoring system to assess potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed periodic basis

iii) Liquidity Risk

a. Liquidity Risk Management: -

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b. Maturities of financial liabilities

The following table details the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the table has been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company is required to pay. The table includes principal cash outflows.

(Rs. In Lakhs)

Particulars	F.Y. 2025-26		F.Y. 2024-25	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
Term Loan	723.90	1,196.79	702.64	2,427.00
Deferred Sales Tax Liabilities	-	3,010.82	-	3,010.82

c. Maturities of financial assets:-

The following table details the Company's expected maturity for financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on such assets.

(Rs. in Lakhs)

Particulars	F.Y. 2025-26		F.Y. 2024-25	
	Upto 1 Year	Above 1 Year	Upto 1 Year	Above 1 Year
<u>Non-current Financial Assets:-</u>				
Security Deposits	-	422.12	-	421.73
Fixed Deposit with Bank	-	129.42	-	125.28
Loans and Advances	230.09	51.36	-	60.09

d. Market Risk:-

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.

Note No.: 34

Employee Benefits:

Provident Fund:

During the year, the Company has recognized the following amounts in the Profit & Loss Account.

(Rs. in Lakhs)

Particulars	FY 2025-26	FY 2024-25
Employers Contribution to Provident Fund	97.14	94.02
Employers Contribution to ESIC	14.39	13.45
Employers Contribution to Labour Welfare Fund	0.23	0.24
TOTAL	111.76	107.71

Gratuity :

- a. In accordance with Ind AS 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Actuarial Assumptions	31.03.2026			31.03.2025		
	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper	Unit Rama Paper	Unit Nath Chemicals	Unit Nath Paper
Discount Rate	7.37%	7.45%	6.65%	6.89%	6.82%	7.19%
Salary Escalation Rate	5.00%	5.00%	7.00%	5.00%	5.00%	7.00%
Expected rate of return Plans assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Adjusted average remaining service of employee in the number of years	14	13	7	19	15	7

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2026.

b. Change in Present Value of Defined Benefit Obligation (Gratuity) :-

(Rs. in Lakhs)

Change in present value of Obligation	As on 31.03.2026	As on 31.03.2025
Present Value of Obligation as at the beginning of the year	591.41	567.11

Interest Cost	39.57	39.82
Current Service Cost	29.61	28.45
Past Service Cost	2.54	-
Benefit Paid	-42.65	-40.85
Actuarial (gain) /loss on obligation	-40.17	-3.12
Present value of Obligation as at the end of the year	580.31	591.41

c. Change in Fair value of plan assets

Change in Fair value of Plans Assets	31.03.2026	31.03.2025
Fair Value of plan Assets as at the beginning of the year	NIL	NIL
Actual Return on plan Assets	N.A.	N.A.
Contributions	N.A.	N.A.
Benefit Paid	N.A.	N.A.
Actuarial gain/(loss) on plan Assets	N.A.	N.A.
Fair Value of Plan Assets as at the end of the year	NIL	NIL

d. Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

(Rs. in Lakhs)

Reconciliation of present value of defined benefit obligation and the fair value of assets	31.03.2026	31.03.2025
Present value of funded obligations as at the end of the year	-	-
Fair value of plan assets as at the end of the year	-	-
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	580.31	591.41
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year	580.31	591.41

e. Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2026:-

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Current Service Cost	29.61	28.45
Interest Cost	39.57	39.82
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-40.17	-3.12

Past Service cost	2.54	-
Net Gratuity (income) / expense	31.55	65.15

f. Detail of Present value of obligation, Plan Assets and Experience Adjustments:-

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Present value of obligation	580.31	591.41
Fair value of plan assets	-	-
(Surplus) / Deficit	580.31	591.41
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-26.17	-12.52
(Gain)/ Loss on plan assets	-	-

Leave Encashment :

The liability for leave encashment and compensated absences as at year end is as under:-

(Rs.in Lakhs)

Particulars	31.03.2026	31.03.2025
Liability for leave encashment and compensated absence	132.08	130.67

Note No.: 35

Secured Loans

a. Working Capital and Term Loan:-

Loans Repayable on demand or on due date availed from State Bank of India and Axis Bank Limited and GECL availed from the State Bank of India is primarily secured by Hypothecation of present and future stock of raw materials, Stock in process, finished goods, Stores & spare parts and Book debts.

Term loans availed from the State Bank of India for Co-generation power plant, Sulphuric Expansion projects and New Online Coating Plant are primarily secured by the respective plants. All the above facilities are required to be additionally secured by the registered mortgage on existing leasehold land admeasuring 23,409 sq mtr with building and structure thereon, including all machineries at industrial Plot No 293, 296 in industrial area bearing survey no. 55/P, 57/P, 67P, 68P and 139P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad – 396195 and existing leasehold land and building bearing Survey No 621/P, 58/P, 56/P, 136/P, 137/P situated at Industrial Plot No 294, 295 and 296/P, within the limits of Chirri and Chanod, Vapi, Taluka Pardi, Dist Valsad – 396195 admeasuring 39,020 sq mtrs, The registered mortgage in case of State Bank of India is already executed and the same in case of Axis Bank Limited is in progress.

Loans are also guaranteed by personal guarantee of Shri Akash Kagliwal, Smt Jeevanalata Kagliwal and Shri Nandkishor Kagliwal and corporate guarantee of M/s Akash Farms LLP.

b. Vehicle loans availed are secured against the hypothecation of respective vehicles.

c. Maturity profile of term loans is as under:-

(Rs.in Lakhs)

F.Y.2025-26		F.Y.2024-25	
Upto 1 Year	1 to 5 years	Upto 1 Year	1 to 5 years
723.90	1,196.79	702.64	2,427.00

Note No.:36

CIF Value of Imported & Indigenous Material and Components

Value of Imported and Indigenous Material and Components consumed as on 31st March 2026 is as under: (on CIF Basis)

(Rs. In Lakhs)

Account Head	F.Y. 2025-26		F.Y. 2024-25	
(a) Raw Material	Rs. in Lakhs	%	Rs. in Lakhs	%
Imported	11,045.76	32.33	9,856.75	35.26
Indigenous	23,116.12	67.67	18,095.16	64.74
Total	34,161.88	100.00	27,951.91	100.00
(b) Stores and Spare Part				
Imported	-	-	13.56	0.70
Indigenous	1,896.01	100.00	1,923.63	99.30
Total	1,896.01	100.00	1,937.19	100.00

Note No.: 37

Deferred Tax Asset/(Liability):

Company's Deferred Tax Asset/(Liability) position is as under:

(Rs. in Lakhs)

	As on 31.03.2026	As on 31.03.2025
Assets		
(a) Deferred tax assets arising on account of timing differences:-		
(i) Unabsorbed capital loss		
(ii) Employee Benefits	3.30	2.64
(iii) Unabsorbed Business Loss	201.81	190.60
	688.33	804.00
Liability		
(b) Deferred Tax Liabilities arising on account of timing differences in WDV	3,796.18	3,657.88
Net Deferred Tax Asset	-	-
Net Deferred Tax Liability	(2,902.74)	(2,660.64)

Note No.:38**Related Party Transactions-****a. Details of Related Parties****i. Key Management Personnel :-**

Shri Akash Kagliwal ,Managing Director
 Shri Abhay Kumar Jain, Director
 Ms Nupur Lodwal ,Director and Company Secretary
 Shri Vijay Saboo ,Chief Financial Officer

ii. Non-Executive/Independent Directors on the Board

Shri Hitesh Purohit, Independent Director
 Shri Kashinath G. Iyer, Independent Director
 Shri Madhukar Deshpande, Independent Director

iii. Relatives of Key Management Personnel

Mr Nandkishor Kagliwal
 Mrs. Jeevanlata Kagliwal
 Mrs. Rajni Jain
 Mrs. Sweta Kagliwal

b. Transaction during the Year

(Rs. in Lakhs)

Sr. No.	Particulars	Year Ended 31 st March 2026	Year ended 31 st march 2025
1)	Remuneration paid to Key Managerial Personnel and Relatives	190.53	187.53

Note: The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

c. Other Related Parties:-

- N Kagliwal Education & Research Foundation.
- Paithan Mega Food Park Private Limited
- Tapovan Trading Company Private Limited.

- d.** Transactions carried out with related parties are in the ordinary course of business and the transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. Transaction details are as under:

(Rs. in Lakhs)

Sr No	Name	Nature of Transaction	F.Y. 2025-26	F.Y. 2024-25
i.	Mrs. Sweta Kagliwal	Consultancy Fees paid in her professional capacity	18.00	18.00
ii.	Mrs Jeevanlata Kagliwal	Consultancy Fees paid in her professional capacity	18.00	18.00

iii.	N Kagliwal Education & Research Foundation.	Advance CSR Contribution given	- -	- 23.38
iv	Paithan Mega Food Park Private Limited	Short term loan given / (received back)	132.18	(322.38)

e. Outstanding Balances at the year end:-

(Rs. in Lakhs)

Sr No	Name	As on 31.03.2026	As on 31.03.2025
I	N Kagliwal Education & Research Foundation.	51.36 (Dr)	60.09 (Dr)
li	Paithan Mega Food Park Private Limited	132.18 (Dr)	-

Note No.:39

Contingent Liabilities not provided for :

(Rs. in Lakhs)

Particulars	As on 31.03.2026	As on 31.03.2025
i) Bank Guarantee given to the DGVCL	150.00	150.00
ii) Bank Guarantee given to MSEDCL	151.03	151.03
iii) Bank Guarantee given to Maharashtra Pollution Control Board	5.00	5.00
iv) Bank Guarantee given to Western Coal Fields Limited	16.36	16.36
v) Compensation awarded by the court not claimed / Suits filed	1.25	1.25
vi) Appeal pending with Tribunal against Excise Demand of Rs. 9.92 lakhs for reversal of Modvat which is not provided in books, Company has paid Rs. 1.08 lakhs.	8.84	8.84
vii) One of the vendors has made a claim against the Company for Rs. 90.39 lakhs against the Company's counter claim on the vendor of Rs. 281.17 lakhs. The Company is in arbitration with the said the vendors. The management is of the opinion that no additional liability would arise.	-	-
viii) Disputed demands of Water Cess (MPCB)	15.98	15.98
ix) Disputed demand of Property Tax from Wahegaon Gram Panchayat	27.13	27.13
x) Deferred sales tax Liability transferred to another Company (with recourse) in earlier year	1,586.36	1,586.36
xi) Capital Commitments :- Estimated amount of contracts remaining to be executed and not provided for tangible assets	-	-
xii) TDS Demand has been raised by the Income Tax Department by order dated 20.03.2026 Rs. 67,64,198/- The interest portion Rs. 608419/- has been paid. For Balance rs. 61,55,779/- Company has filed appeal with CIT Appeal.	67.64	-
xiii) CPC/Income Tax Department has processed income tax return for A.Y. 2019-20 on dated 24/03/2026, raising a demand of Rs. 8,42,46,680/- company has filed the appeal before CIT appeal as the order passed by the department is time barred.	842.47	-

Note No.:40**Foreign Exchange Transactions**

(Rs. in Lakhs)

Particulars	F.Y. 2025-26	F.Y. 2024-25
Earnings in Foreign Exchange:-	3,638.33	4,580.03
Receipt against Export of Goods	4,083.68	4,153.00
Expenditure in Foreign Currency:-		
Purchase of Imported Raw Materials	9354.20	8,810.88
Purchase of Imported Stores	-	13.56
Purchase of fixed asset	-	17.84

All exchange gains and losses arising out of translation/restatement, are accounted for in the statement of profit and loss

Particulars	F.Y. 2025-26	F.Y. 2024-25
Foreign Exchange Gain / (Loss)	60.75	40.88

Note No.:41**Segment Reporting :****i) Primary Segment:-**

The company is engaged in manufacturing of Paper & chemicals. Management has identified reportable primary Segment & Geographic secondary Segment in accordance with Accounting Standard 108 issued by the Institute of Chartered Accountants of India. Revenue & Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to a specific segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segment have been disclosed as un allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un allocable.

(Rs. in Lakhs)

Particulars	Paper	Chemical	Total
Revenue	29,651.83	19,416.92	49,068.75
Other Income	400.91	16.95	417.86
Total Revenue	30,052.75	19,433.87	49,486.91
Expenses	27,931.44	18,633.74	46,565.18
Depreciation	462.48	471.51	933.99
Operating Income	1,658.83	328.62	1987.45
Un-allocable Expenses/(Income)			
Finance Cost			1053.20

Profit before Tax			934.24
Un-allocable Tax			
Income Tax including earlier year adjustments			180.38
Deferred Tax Expenses/(Income)			242.10
Mat Credit entitlement			(-)155.94
Total Un-allocable Expenses			266.54
Profit after tax			667.70
Other Information			
Assets			
Non Current Assets	18,958.59	12,363.21	31,321.80
Current Assets	10,901.87	3,831.79	14,733.66
TOTAL ASSETS	29,860.46	16,195.00	46,055.46
Equity and Liabilities			25,972.22
Non-current Liability	7,259.56	768.61	8,028.17
Current Liability	8,496.57	3,558.50	12,055.07
TOTAL LIABILITIES	15,756.13	4,327.11	46,055.46

ii) Secondary Segment:-

Geographical Revenue is allocated based on the location of the customer.

The company produces and sales, its products in India & also Export the same directly or indirectly to overseas countries. The overseas sales operations are managed by its office located in India. For the purpose of AS 108 regarding segment reporting secondary segment information on geographical segment is considered on the basis of revenue generated from Domestic & Export market.

(Rs. in Lakhs)

	F.Y. 2025-2026			F.Y. 2024-2025		
Particulars	Domestic	Export	Total	Domestic	Export	Total
Revenue	45,430.42	3,638.33	49,068.75	37,867.21	4,580.03	42,447.24
Carrying Amount of Trade Receivable	6,076.27	153.54	6,229.81	6,452.82	598.89	7,051.71
Carrying amount of Current Assets other than Trade Receivable	8503.86	-	8503.86	6,950.46	-	6,950.46

NOTE No.:42

Deferred Sales Tax Liability

Nath Industries Limited –Unit Nath Paper was the beneficiary of Package Scheme of Incentive (PSI-1988) of Government of Maharashtra upto 2008-09. As per the scheme and Government Resolution

no IDL/1093/(8889)/IND-8 dated 07th May 1993, unit Nath Paper being located in Marathwada was eligible to pay the deferred sales tax after 18 years in seven equal annual installments. Accordingly, the liability of deferred sales tax will be paid from 18th years in seven equal installments. The repayment of same will begin from the F.Y. 2029-30.

The Department of Industries, Government of Maharashtra has further sanctioned vide their letter dated 07.12.2015 the Eligibility for the unutilized CQB of Rs. 1951.75 lakhs under PSI-1988, for a period of 5 years i.e. from 1st November, 2015 to 31st October, 2020

Deferred Sales tax Liability of MVAT/ SGST has been valued at Book value, which would have been Rs 1,207.06 lakhs if valued at Fair Value as required under the IND AS -113 Fair Value Measurement. Company has recognized the same at its Book value considering the fact that the company is liable to pay the entire dues to the Government of Maharashtra as per the schedule of repayment.

Note No. : 43

Company has entered into agreement for the purchase of various lands Amounting to Rs. 1206.52 Lakhs along with agreement for land development Rs. 692.52 Lakhs for more than five years. However, registration formality is under process.

Note No.:44

Earning Per Share:

The net profit for the purpose of measurement of basic and diluted earnings per share in terms of Ind Accounting Standard - 33 on Earnings per Share issued by the Institute of Chartered Accountants of India has been calculated as under:

Particulars	Current Year	Previous Year
Profit Before tax (Rs.in Lacs)	934.24	1,298.21
Tax Provision (Net of MAT Credit, including deferred tax and earlier year tax adjustment) (Rs. in Lacs)	(266.54)	(324.49)
Profit after tax	667.70	973.72
Weighted Average Number of Equity Shares	1,90,00,000	1,90,00,000
Basic & Diluted Earning per Share (EPS)	3.51	5.12
Face Value per share Rs.	10.00	10.00

Note No.:45

Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Act, 2006:

Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprise Development Act 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company.

(Rs. in Lakhs)

		As on 31.03.2026
i	Principal Outstanding	14.27
ii	Interest on principal amount due thereon	NIL. No interest provision is made.
iii	Interest and Principal amount paid beyond appointed day	NIL
iv	The amount of interest due and payable for a period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act.	NIL
v	The amount of interest accrued and remaining unpaid at the end of the year	NIL. No provision is made for interest payable.
vi	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSME development Act.	NIL

Note No.:46**Corporate Social Responsibility (CSR) in terms of section 135 of Companies Act:**

(Rs.in Lakhs)

Corporate Social Responsibility Expenditure	F.Y.2025-26	F.Y.2024-25
(a) Gross amount required to be spent by the Company for the year @ 2% of average profit of last 3 years	8.73	-
(b) Expenditure towards Corporate Social Responsibility Activities incurred	8.73	-
(c) Shortfall at the end of the year	-	-
(d) Total of Previous years shortfall	-	-
(e) Reasons for shortfall	N.A.	N.A.
(f) Nature of CSR Activity	Education	Education
(g) Details of Related Party Transactions (Advance for CSR)	-	-

Note No: 47**Additional Regulatory Information: -****a. Title Deeds of Immovable Properties not held in the name of the Company:-**

Particulars	Description of Property	Gross Carrying Value (Rs in	Title Deeds held in the name of	Whether Title Deed holder is a promoter, director or relative of	Property Held Since date	Reason for not being held in the name of the
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		lakhs)		promoter/Director or employee of promoter/director		company
Property, Plant and Equipment	Freehold Land at Gut no 50/3 and 37/8 at Wahegaon, Gut no 26/1 at Pimpalwadi, Gut no 124 at Muddalwadi. All land parcels situated at Tal Paithan, Dist Aurangabad	837.23	Nath Pulp and Paper Mills Limited	No	Merger order dated 22.08.19	Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited were amalgamated with Nath Industries
	Leasehold land at Plot No 294,295 and 296, IInd Phase, GIDC, Vapi, Gujarat – 396 195	4682.40	Nath Industrial Chemicals Limited	No	Merger order dated 22.08.19	Limited vide NCLT order dated 22.08.2019. Process for transfer of title of Freehold Land and Lease hold Land in the name of Transferee Company from the transferor Companies is under process.
	14 Flats at Gautam Apartment, Gunjan Area, Near Gautam General Stores, GIDC, Vapi, Gujarat – 396 195	106.92	Raveshia Associates	No	Since 1992	Process of transfer is under process.
	1 quarters at RCF/10/119, Road H-II	7.70	Rama Pulp and Papers	No	Since 1992	Process of transfer is

	-2, Chanod, GIDC, Vapi, Gujarat- 396 191		Limited			under process.
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b. Particulars of Loans or advance in the nature of Loans granted to Promoters, directors, KMP and related parties:-

(Rs.in Lakhs)

Relation	Name of the Party	Amount of Loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of Loans
Related Party	N Kagliwal Education and Research Foundation	51.36	100.00%

- c. The company is enjoying working capital facility of Rs 6550.00 lakhs from the State Bank of India and Axis Bank Limited under Multiple Banking arrangement. Quarterly statement submitted to the bank are in agreement with the books of accounts.

d. Charges pending for satisfaction with the Registrar of Companies (ROC):-

(Rs. in lakhs)

Sr No	Name of the Institution	Date	Charge Id	Amount	Reason
1	State Bank of Hyderabad	16/10/1996	90218043	554.00	All these pending charges of the transferor company Nath Pulp and Paper Mills Limited which got merged with Nath Industries Limited. All the dues are already paid off and the company is in the process of completing the formalities for satisfaction of charges.
2	HDFC Bank	25/03/1994	90218974	55.00	
3	The ICICI Ltd	30/11/1990	90216159	1800.00	
4	Industrial Development Bank of India	08/11/1989	90217359	350.00	
5	Industrial Credit and Investment Corporation of India Limited	08/11/1989	80046543	175.00	
6	Industrial Development Bank of India	18/03/1989	90217303	326.00	
7	H.D.F.C.	27/02/1987	90218825	26.00	
8	The ICICI Ltd	08/06/1980	90216700	16.00	
9	The ICICI Ltd	05/04/1978	90216641	35.00	
10	IDBI Bank	18/02/1978	90219906	76.75	
11	Central Bank of India	20/09/1976	90219901	19.13	
12	Industrial Finance Corporation of India	08/11/1989	80046544	175.00	
13	IFCI	11/02/1981	90216734	16.00	
14	IFCI	14/04/1980	90216696	12.00	

e. Ratios:-

Sr No	Ratio	Numerator	Denominator	Current Year	Previous Year	Change	Reason
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.22	1.29	-5.36%	
2	Debt-Equity Ratio	Debt Consist of Borrowing from Financial Institutions, Deferred Sales Tax Liability and Unsecured Loans	Total Equity	0.47	0.49	-3.21%	
3	Debt Service Coverage Ratio	Net Profit After Tax +Non Cash Operating Expense +Finance Cost+ Other Non-cash adjustment	Finance Cost + Principal Payment	1.26	1.24	0.02%	
4	Return on Equity	Net Profit after Tax	Average Total Equity	35.14	51.25	-31.43%	Due to reduction in net profit after tax.
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	11.60	10.03	15.68%	
6	Trade Receivable Ratio	Revenue from Operations	Average Trade Receivable	7.39	7.06	-4.74%	
7	Trade Payable Turnover Ratio	Purchases + Trading Purchases + Other Expense	Average Trade Payable	19.16	14.32	33.75%	Faster payments to creditors resulted in better turnover ratio.
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital Ratio	16.81	15.31	9.75%	Change in ratio because of improved net current assets and higher turnover.
9	Net Profit Ratio	Net Profit for the year	Revenue from Operations	1.36%	2.29%	-40.68%	Due to reduction in net profit after tax.
10	Return on Capital Employed	Profit before Tax and Interest	Net worth + Total Debts	5.19%	6.65%	-20.23%	

Note No.: 48

Previous year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In term of our report attached

For N. R. Agrawal & Co

Chartered Accountants

Firm Reg. No. 100143W

For and on behalf of the Board

N. R. Agrawal

Partner

M.No.: 030117

UDIN:- 26030117PGAMJU4698

Place : Mumbai

Date: 29th May 2026

Akash Kagliwal

Managing Director

Abhaykumar Jain

Director
