



# SONASELECTION INDIA LIMITED

## 3rd Annual Report 2024-25



# Selection

by Sona

## Company Overview

**Sonaselection India Limited** (“the Company”) was incorporated on February 11, 2022, in Bhilwara, Rajasthan, as a public limited company under the Companies Act, 2013, with CIN **U17299RJ2022PLC079631**. The Company commenced its operations on February 24, 2022, and its registered office is situated at **18th KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025, Rajasthan, India**. We are part of the **Sona Group**, founded in 1987 by Mr. Subhash Chandra Nuwal, which has established itself as a premier name in the Indian textile industry with modern infrastructure, advanced airjet looms, and a monthly production capacity exceeding **12 million meters** of fabric. Leveraging this legacy, Sonaselection India Limited focuses on textile processing and manufacturing, offering a wide range of fabrics and garments tailored to domestic market needs.

Since inception, the Company has expanded its capacities significantly. In June 2022, we strengthened our operations by acquiring a unit of **Sona Processors (India) Limited** on a slump sale basis. Our processing capacity has grown from **23.70 lakh meters per month** to **68.70 lakh meters per month**, and we are in the process of diversifying into polyester yarn manufacturing. Our growth trajectory has been supported by consistent capital expansion, with authorized share capital increasing from ₹1 lakh in 2022 to **₹22 crore in 2024-25**. Further, in 2024-25, **CRISIL Limited** assigned a ‘**CRISIL BBB/Stable**’ rating to our long-term bank facilities, underscoring our financial discipline.

Quality, sustainability, and compliance form the foundation of our operations. The Company has received globally recognized certifications including **Global Organic Textile Standard (GOTS)**, **Organic Content Standard (OCS)**, **Global Recycled Standard (GRS)**, **Recycled Claim Standard (RCS)**, **Regenagri Chain of Custody Criteria**, and **OEKO-TEX Standard** (2024 and 2025). These certifications reflect our commitment to responsible manufacturing practices and alignment with international benchmarks.

Our governance structure remains transparent and robust, with no inter-se agreements among shareholders, no defaults or restructuring of borrowings, and no adverse material agreements outside the ordinary course of business.

With a strong parent legacy, expanded processing capacities, global certifications, and prudent governance, **Sonaselection India Limited** is positioned as a growing player in the Indian textile industry, combining tradition, innovation, and sustainability to deliver value to its stakeholders.



## **VISION**

**To become the global leader in textile manufacturing, renowned for innovation, sustainability, and quality, setting new standards for excellence in the fabric of the future.**

## **MISSION**

**Our mission is to revolutionize the textile industry through cutting-edge technologies and sustainable practices. We strive to deliver superior quality and innovative textile products to our customers worldwide while maintaining ethical business practices, nurturing our workforce, and minimizing our environmental impact. Through continuous improvement and expansion, we aim to enhance our capabilities, reach new markets, and exceed customer expectations, thereby enriching the lives of all stakeholders connected to our journey.**

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### **ANNUAL GENERAL MEETING**

Date : **30<sup>th</sup> September, 2025**  
Day : Tuesday  
Time : 04.00 P.M.  
Venue : 18 KM Stone, Chittorgarh Road,  
Hamirgarh, Bhilwara, Rajasthan – 311025.

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Subhash Chandra Nuwal  
Mr. Harshil Nuwal  
Mrs. Uma Nuwal  
Mrs. Aditi Kakhani  
Mr. Kanhaiya Lal Acharya

Chairman & Director  
Managing Director  
Whole Time Director  
Additional Director (Independent)  
Additional Director (Independent)

### **COMPLIANCE OFFICER AND COMPANY SECRETARY -**

Mr. Harish Sharma

### **CHIEF FINANCIAL OFFICER**

Mr. Ramesh Chandra Vyas

### **STATUTORY AUDITOR (PEER REVIEWED FIRM)**

#### **Pokharna Somani & Associates, Chartered Accountants**

Address: 12, PS House, Sancheti Colony,

Mirchi Mandi Road, Bhilwara- 311001

Email: [pokharnasomani@gmail.com](mailto:pokharnasomani@gmail.com)

Contact Person: Mr. Sumit Bumb, Partner

Membership No.: 429413

Firm Registration No.- 011535C

Peer Review Number: 020697

### **OUR BANKERS**

HDFC Bank Limited

State Bank of India

### **REGISTERED OFFICE AND OTHER DETAILS**

18 KM Stone, Chittorgarh Road,

Hamirgarh, Bhilwara,

Rajasthan, 311025

**CIN:** U17299RJ2022PLC079631

**Phone No.** – 01482 – 2286041, 42, 43

**Email:** [info@sonaselection.com](mailto:info@sonaselection.com), [cs@sonaselection.com](mailto:cs@sonaselection.com)

**Website:** [www.sonaselection.com](http://www.sonaselection.com)

**GSTIN** - 08ABHCS8575K1ZI

### **REGISTRAR & SHARE TRANSFER AGENT**

#### **Maashitla Securities Private Limited**

Krishna Apra Business Square, 451,

Netaji Subhash Place, New Delhi, Delhi 110034

Mobile: +91-9818298480

Email: [rta@maashitla.com](mailto:rta@maashitla.com), [maashitlasecurities@gmail.com](mailto:maashitlasecurities@gmail.com)

Website: [www.maashitla.com](http://www.maashitla.com)



## SONASELECTION INDIA LIMITED

Regd. Office: 18th KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025 (Rajasthan)

CIN: U17299RJ2022PLC079631

Email ID: [cs@sonaselection.com](mailto:cs@sonaselection.com)

Contact No.: 01482-286041

### **NOTICE OF 3<sup>RD</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 3<sup>rd</sup> Annual General Meeting (“AGM”) of the MEMBERS of Sonaselection India Limited (“the Company”) will be held on Tuesday, September 30, 2025, at 4.00 p.m. at the registered office of the company situated at 18 KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, 311025 to transact the following business:

#### **ORDINARY BUSINESS:**

##### **1. ADOPTION OF ANNUAL AUDITED FINANCIAL STATEMENTS AND REPORTS THEREON:**

To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors' and the Auditors' thereon, and in this regard, to consider and if thought fit, to pass the following as an Ordinary Resolution :

**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2025, along with the reports of the Board of Directors and the Auditors thereon as circulated to the Members be and are hereby received, considered and adopted”.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

#### **SPECIAL BUSINESS:**

##### **2. APPOINTMENT OF UMA NUWAL (DIN: 00104156), AS WHOLE TIME DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to Section 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on the recommendation of Board and Nomination and Remuneration Committee, consent of members be and is hereby accorded to appoint Mrs. Uma Nuwal (DIN: 00104156) as the Whole Time Director of the Company for a period of 5 (five) years commencing from 3<sup>rd</sup> February 2025 to 02<sup>nd</sup> February, 2030 at a remuneration of Rs. 5.00 Lakh (Rupees Five Lakh) per month by way of salary and perquisites, performance-based rewards/ incentives, on the terms and conditions as set out below in this resolution:

1.	Period	Five years w.e.f. 3 <sup>rd</sup> February, 2025, with the liberty to either party to terminate the appointment on three months' notice in writing to the other.
2.	Remuneration	Basic Salary: Rs. 5,00,000/- (Rupees Five Lakh) per month
3.	Perquisites	a) The following perquisites will be provided in addition to salary.
		b) Company maintained Car for use on Company's business



	c) Club fee
	d) Gratuity calculated on Basic salary
	e) Leave encashment as per rules of the Company
	f) Other allowances/benefits/perquisites: Any other allowances, benefits and perquisites as per the scheme, policies and rules applicable to senior executives of the company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may from time to time decide.
	g) Any other one-time periodic retirement benefits as may be decided by the Board at the time of retirement. The above perquisites will be in accordance with the schemes, policies and the rules of the Company as applicable from time to time unless the Board decides to vary the same specifically.
4.	The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Section 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act or any statutory modification or reenactment thereof for the time being in force, or otherwise as may be permissible at law.
5.	For the purpose of Gratuity, Provident Fund, Superannuation and all other like benefits, if any, the service of Mrs. Uma Nuwal, Whole Time Director, will be considered service with the Company from the date of her joining in the Sonaselection India Limited.
6.	The Board of Directors (which term shall be deemed to include any Committee constituted/ to be constituted by the Board) is authorized to revise the remuneration and perquisites payable to Mrs. Uma Nuwal from time to time, as deemed fit
7.	Where in any financial year, the company has inadequate profits then amount of remuneration and benefits shall be paid to Mrs. Uma Nuwal subject to the applicable provisions of Schedule V of the Companies Act, 2013.
8.	Mrs. Uma Nuwal shall be liable to retire by rotation and shall not be paid fees for attending the meetings of the Board of Directors of the Company or any Committee(s) thereof.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and to do all such acts, deeds, matters and things, in connection therewith in order to give effect to this resolution as it may be considered appropriate and as may be required from time to time.”

### 3. APPOINTMENT OF HARSHIL NUWAL (DIN: 01474313) AS MANAGING DIRECTOR OF THE COMPANY:

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

**“RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the recommendation of Board and Nomination and Remuneration Committee, consent of members be and is hereby accorded to appoint Mr. Harshil Nuwal (DIN: 01474313) as the Managing Director of the Company for a period of 5 (five) years commencing from 3<sup>rd</sup> February, 2025 to 02<sup>nd</sup> February, 2030, not liable to retire by rotation, at a remuneration of Rs. 12.50 Lakh (Rupees Twelve Lakh Fifty Thousand) per month by way of salary and perquisites,

performance-based rewards/ incentives, on the terms and conditions as set out below in this resolution.

1.	Period	Five years w.e.f. 3 <sup>rd</sup> February, 2025, with the liberty to either party to terminate the appointment on three months' notice in writing to the other.
2.	Remuneration	Basic Salary: Rs. 12,50,000/- (Rupees Twelve Lakh Fifty Thousand) per month
3.	Perquisites	a) The following perquisites will be provided in addition to salary.
		b) Company maintained Car for use on Company's business
		c) Club fee
		d) Gratuity calculated on Basic salary
		e) Leave encashment as per Rules of the Company
		f) Other allowances/benefits/perquisites: Any other allowances, benefits and perquisites as per the scheme, policies and rules applicable to senior executives of the company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may from time to time decide.
		g) Any other one-time periodic retirement benefits as may be decided by the Board at the time of retirement. The above perquisites will be in accordance with the schemes, policies and the rules of the Company as applicable from time to time unless the Board decides to vary the same specifically.
4.	The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Section 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act or any statutory modification or reenactment thereof for the time being in force, or otherwise as may be permissible at law.	
5.	For the purpose of Gratuity, Provident Fund, Superannuation and all other like benefits, if any, the service of Mr. Harshil Nuwal, Managing Director, will be considered service with the Company from the date of his joining in the Sonaselection India Limited.	
6.	The Board of Directors (which term shall be deemed to include any Committee constituted/ to be constituted by the Board) is authorized to revise the remuneration and perquisites payable to Mr. Harshil Nuwal from time to time, as it deemed fit.	
7.	Where in any financial year, the company has inadequate profits then amount of remuneration and benefits shall be paid to Mr. Harshil Nuwal subject to the applicable provisions of Schedule V of the Companies Act, 2013.,	
8.	Mr. Harshil Nuwal shall not be liable to retire by rotation and shall not be paid fees for attending the meetings of the Board of Directors of the Company or any Committee(s) thereof.	

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and to do all such acts, deeds, matters and things, in connection therewith in order to give effect to this resolution as it may be considered appropriate and as may be required from time to time."

#### 4. APPOINTMENT OF ADITI KAKHANI (DIN: 08921365) AS INDEPENDENT DIRECTOR OF THE COMPANY:

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



**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 read with schedule IV and other applicable provisions and rules of Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Board of Directors of the company, consent of members be and is hereby accorded to appoint Mrs. Aditi Kakhani (DIN: 08921365), who has been appointed as Additional Director on 18.01.2025 under Section 161, as Non-executive Independent Director of the Company for a period of 5 years with effect from 18.01.2025 to 17.01.2030

**RESOLVED FURTHER THAT** Any one of Directors of the Company be and is hereby authorized to file the necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.

**5. APPOINTMENT OF KANHAIYA LAL ACHARYA (DIN: 10048774) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**“RESOLVED FURTHER THAT** pursuant to the provisions of section 149, 150 read with schedule IV and other applicable provisions and rules of Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Board of directors of the company, consent of members be and is hereby accorded to appoint Mr. Kanhaiya Lal Acharya (DIN: 10048774), who has been appointed as Additional Director on 18.01.2025 under Section 161, as Non-executive Independent Director of the Company for a period of 5 years with effect from 18.01.2025 to 17.01.2030.

**RESOLVED FURTHER THAT** Any one of Directors of the Company be and is hereby authorized to file the necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**6. APPOINTMENT OF KAMLESH KUMAR CHOUDHARY (DIN: 09291860) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 150 read with schedule IV and other applicable provisions and rules of Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Board of directors of the company and on the recommendation of Nomination and Remuneration Committee as well as the Board of Directors of the company, consent of members be and is hereby accorded to appoint Kamlesh Kumar Choudhary (DIN: 09291860) as Non-executive Independent Director of the Company for a period of 5 years with effect from 30.09.2025 to 29.09.2030

**RESOLVED FURTHER THAT** Any of Director of the Company be and is hereby authorized to file the necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**7. RATIFICATION OF COST AUDITOR'S REMUNERATION FOR FY 2025-26:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the members of the Company hereby ratifies the remuneration of INR 35,000/- (Indian Rupees Thirty- Five Thousand only) payable to M/S K.C. Moondra & Associates, Cost Accountants (Firm Registration Number 101814), who has been appointed on the by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2026.

**FURTHER RESOLVED THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

#### **8. APPOINTMENT OF SECRETARIAL AUDITOR OF THE COMPANY**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Regulations 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2024 and the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration personnel) Rules 2014 and (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors , the consent of the shareholders be and is hereby accorded to Appoint M/s. R.K. Jain & Associates, Practicing Company Secretaries Bhilwara ( Proprietor Mr. Rajendra Kumar Jain having ICSI Membership No. F4584; CP No. 5844; Peer Review Certificate No. 1361/2021 valid upto 31.07.2026) for first term of consecutive five years as Secretarial Auditor of the Company to conduct the Secretarial Audit commencing from 01.04.2025 to 31<sup>st</sup> March, 2030, at as may be mutually agreed upon between the Board of Directors of the Company and Auditor plus applicable taxes and out of pocket expenses, if any for the financial year 2025-2026 and for subsequent years on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and Auditor.

**RESOLVED FURTHER THAT** any on the Directors or Company Secretary of the Company be and are hereby severally/jointly authorized to do all such acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto and to settle any questions, difficulties or doubts that may arise in this regard."

**By Order of the Board**

**For SONASELECTION INDIA LIMITED**

**Harish Sharma**  
**(Company Secretary)**

**Date: September 08, 2025**

**Place: Bhilwara**

**NOTES:**

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 read with relevant rules setting out the material facts and reasons for the proposed resolution concerning the item of the special business to be transacted at the AGM is annexed hereto and forms part of this Notice.
2. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not to be a member of the company.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Shareholders are requested to immediately notify the Company of any change in their address and e-mail address.
5. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 1 day of notice in writing is given to the Company.
7. Members/ proxies attending the meeting are requested to bring their duly filled admission/ attendance slips sent along with the notice of Annual general meeting at the meeting.
8. Corporate Members sending their authorized representative to attend the AGM are requested to send certified copy of Board Resolution authorizing the representative to attend and vote on their behalf at the meeting.
9. Members desirous to inspect the documents pertaining to the resolutions proposed at the meeting may write to the Company's mail id [cs@sonaselection.com](mailto:cs@sonaselection.com) or [info@sonaselection.com](mailto:info@sonaselection.com).

## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 2

The Board of Directors in its meeting held on 3<sup>rd</sup> February, 2025 on the recommendation of the Nomination and Remuneration Committee, has approved the appointment of **Mrs. Uma Nuwal (DIN: 00104156)** as the Whole-Time Director of the Company for a period of five years commencing from **3rd February, 2025 to 2nd February, 2030**, subject to the approval of shareholders.

Mrs. Uma Nuwal, aged 59 years, holds a Bachelor's degree in Commerce and has more than **30 years of experience** in business management and administration. She has been first Director of the company since incorporation, i.e. **11th February, 2022** and has contributed significantly in providing strategic support to the Company's operations.

The terms and conditions of her appointment, including remuneration, are set out in the resolution. She will be entitled to a **gross salary of ₹5,00,000 per month** along with perquisites as stated in the resolution.

She is related to **Mr. Subhash Chandra Nuwal (Chairman and Executive Director)** as his wife and **Mr. Harshil Nuwal (Managing Director)** as his mother.

The Board considers that her appointment would be in the best interests of the Company and accordingly recommends the resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except Mrs. Uma Nuwal, **Mr. Subhash Chandra Nuwal and Mr. Harshil Nuwal**, is concerned or interested in the resolution.

#### Brief Profile:

Age	59
Qualifications	B.Com (Bachelors of Commerce)
Experience	30 years
Terms and Conditions	As per resolution
Details of remuneration	Gross Salary 500000/month
Date of First appointment	11.02.2022
Shareholding in the Company	0.00%
Relationship with other directors and KMP	Wife of Chairman and Executive Director Subhash Chandra Nuwal, Mother of Managing Director Harshil Nuwal.
Directorships in other Board	Four

### Item No. 3

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has approved the appointment of **Mr. Harshil Nuwal (DIN: 01474313)** as the Managing Director of the Company for a period of five years commencing from **3rd February, 2025 to 2nd February, 2030**, subject to the approval of shareholders.

Mr. Harshil Nuwal holds an **MBA from the S.P. Jain Institute of Management** and has been associated with the family business since 2010. He has been instrumental in expanding the Company's textile operations, including the installation of a state-of-the-art weaving unit with **60 airjet looms**, acquisition of a processing unit in 2022, and the establishment of a **modern cotton fabrics processing plant** scheduled for completion in May 2024. His leadership has strengthened stakeholder relationships and positioned the Company as a leading name in the textile industry.

The terms and conditions of his appointment, including remuneration, are set out in the resolution. He will be entitled to a **gross salary of ₹12,50,000 per month** along with perquisites as stated in the resolution.

Considering his vision, leadership qualities and contribution towards the growth of the Company, the Board believes that his appointment as Managing Director will be in the best interests of the Company. The Board recommends his appointment for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except **Mr. Harshil Nuwal and Mrs. Uma Nuwal and Mr. Subhash Chandra Nuwal (being related parties)**, are concerned or interested in the resolution.

Brief Profile:

Age	36
Qualifications	MBA
Experience	15 years
Terms and Conditions	As per resolution
Details of remuneration	Gross Salary 1250000 /month
Date of First appointment	11.02.2022
Shareholding in the Company	20.47%
Relationship with other directors and KMP	Son of Chairman and Executive Director Subhash Chandra Nuwal and Whole Time Director Uma Nuwal.
Directorships in other Board	Eight (8)

#### For Item No. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of **Ms. Aditi Kakhani (DIN: 08921365)** as Non-executive **Independent Director** of the Company for a term of five consecutive years commencing from **18th January, 2025**, subject to shareholders' approval. Ms. Kakhani, aged 30 years, is a **qualified Company Secretary** with over **5 years of professional experience**.

She holds directorships in 3 companies and is a member/chairperson of 3 committees of other Boards. She has confirmed that she meets the criteria of independence under Section 149 of the Companies Act, 2013 and applicable SEBI Regulations.

The Board considers her appointment beneficial to the Company and recommends the resolution for approval of members.

None of the Directors or Key Managerial Personnel or their relatives, except Ms. Kakhani, are concerned or interested in this resolution.

Brief Profile:

Age	30
Qualifications	Company Secretary
Experience	5 Years +
Terms and Conditions	As per resolution
Details of remuneration	NA (Only Sitting Fees)
Date of First appointment	18.01.2025
Shareholding in the Company	NA
Relationship with other directors and KMP	NA
Directorships in other Board	3
Membership/Chairmanship of Committees of other Board	3

#### For Item No. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of **Mr. Kanhaiya Lal Acharya (DIN: 10048774)** as Non-executive **Independent Director** of the Company for a term of five consecutive years commencing from **18th January, 2025**, subject to shareholders' approval.

Mr. Acharya, aged 34 years, holds **LL. B and M. Com (ABST)** degrees and has over **10 years of experience** in the field of law, commerce, and corporate governance. He holds directorships in 2 companies and is a member/chairperson of 2 committees of other Boards. He has confirmed that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and applicable SEBI Regulations.

The Board considers his appointment beneficial to the Company and recommends the resolution for approval of members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Acharya, are concerned or interested in this resolution.

Brief Profile:

Age	34
Qualifications	LL.B, M.Com (ABST)
Experience	10 years
Terms and Conditions	As per resolution
Details of remuneration	NA (Only Sitting Fees)
Date of First appointment	18.01.2025
Shareholding in the Company	NA
Relationship with other directors and KMP	NA
Directorships in other Board	2

#### Item No. 6

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, proposes the appointment of **Mr. Kamlesh Kumar Choudhary (DIN: 09291860)** as an **Independent Director** of the Company for a term of five consecutive years commencing from **30th September, 2025**, subject to shareholders' approval.

Mr. Choudhary, aged 61 years, is a **retired General Manager of Bank of Baroda** with over **40 years of experience** in banking and governance. He holds **M. Com (ABST)** and **CAIIB** qualifications and has expertise in credit, operations, MSME, corporate banking, policy formulation, and risk assessment. He has also served as a Nominee Director in various institutions.

He has confirmed that he meets the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and applicable SEBI Regulations. He will be entitled only to **sitting fees** as determined by the Board from time to time.

The Board considers his appointment beneficial to the Company and recommends the resolution for approval of members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Choudhary, are concerned or interested in this resolution.

Brief Profile:

Age	61
Qualifications	M.Com (ABST), CAIIB
Experience	40 years +



Terms and Conditions	As per resolution
Details of remuneration	NA (Only Sitting Fees)
Date of First appointment	30.09.2025
Shareholding in the Company	NA
Relationship with other directors and KMP	NA
Directorships in other Board	NIL
Membership/Charimanship of Committes of other Board	NIL

#### Item No. 07

As per the provisions of Section 148 of the Companies Act, 2013 ("Act") read with the Companies (Cost Records and Audit) Rules, 2014 ("the Rules"), as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has

approved the appointment of M/s. K.C. Moondra & Associates, Cost Accountants, (Firm Registration Number 101814), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2026, at a remuneration of INR 35,000/-.

In accordance with Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, is required to be approved by the Members of the Company. Accordingly, the consent of

the Members is sought for passing an Ordinary Resolution as set out in Item No. 7 of the Notice for determination of the remuneration payable to the Cost Auditors, for the financial year ending March 31, 2026.

The Board recommends the approval of remuneration of Cost Auditors, as set out in item No 7 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel, or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### Item No. 8

The provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 mandate the appointment of a Secretarial Auditor for every listed company and certain other prescribed companies. Further, Regulation 24A of the also requires to appoint Secretarial Auditors for a period of Five Years.

Your company is in process of going for IPO, hence to comply the corporate governance norms of the SEBI (LODR) Regulations, 2015, it is required to be appointed Secretarial Auditors for a period of Five years.

Accordingly, in compliance with the above provisions and based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on August 20, 2025, approved and recommended for the approval of the members, the appointment of M/s R.K. Jain & Associates, "Practicing Company Secretaries" Bhilwara ( Proprietor Mr. Rajendra Kumar Jain having ICSI Membership No. F4584; CP No. 5866; Peer Review Certificate No. 1361/2021 valid upto 31.07.2026), a peer reviewed firm, as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years, commencing from April 01, 2025 to March 31, 2030.

While considering their appointment, the Board of Directors and the Audit Committee considered several factors, technical expertise, professional competence, industry knowledge and ability to navigate a dynamic and regulated business environment. Based on this evaluation, M/s R.K. Jain & Associates was found to be suitably qualified to conduct the Secretarial Audit of the Company effectively.

**Brief Profile of the Secretarial Auditors:**

Name of the Auditors : M/s R.K. Jain & Associates, Company Secretaries

Address: 5-A-25, RC Vyas Colony, Bhilwara -311001 Rajasthan India.

Email: [rkjainbhilwara@gmail.com](mailto:rkjainbhilwara@gmail.com)

Field of Experience: Having good working experience and proficiency in all matters related to company law, SEBI, Direct & Indirect Taxation and various other business laws. About the auditor: M/s R.K. Jain & Associates, Bhilwara, Rajasthan Practicing Company Secretaries, is a peer reviewed firm (Peer Review Certificate No 1361/2021). Mr. Rajendra Kumar Jain Proprietor of this firm is a Fellow member (FCS 4584) of ICSI holding a valid COP (COP No 5866). He has an experience in the field of Secretarial Compliances. He has handled various compliances related to Corporate Secretarial functions including Board processes, Secretarial Audit, Due Diligence, corporate governance matters etc. under the Companies Act and the SEBI Regulations. The firm is committed to provide timely and effective service to its clients. None of the Directors, Key Managerial Personnel of the Company and their respective relatives, are concerned or interested, financially or otherwise, in the resolution set out in Item No. 8 of the Notice. The Board of Directors recommends the Ordinary Resolution as set out at item no. 8 of the accompanying Notice for approval of the Members of the Company.

## DIRECTOR'S REPORT

**To,  
The Members,**

Your directors are pleased in presenting their Third Directors Report on the business and operations of your Company together with the Audited Financial Statements and the Auditors' Report of your Company for the financial year ended, 31<sup>st</sup> March, 2025.

The summarized financial results for the year ended 31<sup>st</sup> March, 2025 are as under: -

### FINANCIAL SUMMARY

(Amount in Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Total Revenue	31677.94	12130.97
Profit / Loss before depreciation and Tax	4349.05	2366.05
Less:- Depreciation	1731.36	679.70
Profit/Loss before Tax	2617.69	1686.35
Less-Current year tax	461.74	296.87
MAT Credit Entitlement	(132.07)	(14.32)
Deferred Tax	249.63	157.46
<b>Profit/ Loss for the year</b>	<b>2038.39</b>	<b>1246.34</b>

### STATE OF COMPANY'S AFFAIRS / FINANCIAL PERFORMANCE

The Performance of your Company during F.Y 2024-2025 is given above.

The Company has closed its books of account with a profit of Rs. 2038.39 Lakhs for the financial year ended 31.03.2025 as compared to the Profit of Rs. 1246.34 Lakhs for the financial year ended 31.03.2024.

### OPERATIONAL PERFORMANCE

During the year under review, the Company has delivered a remarkable operational and financial performance, marked by significant milestones and robust growth across key parameters:

- **Advanced Plant Operationalization:** Successfully completed the setup and operationalization of a state-of-the-art cotton fabric processing plant in July 2024, equipped with the most advanced technology in the industry.
- **Capacity Expansion:** Enhanced processing capacity to **68.70 lakh meters per month** from **45.00 lakh meters per month**, representing a substantial growth of **52%**.
- **Fabrics Division:** Commenced the **Fabrics Division**, enabling direct sale of in-house manufactured fabrics, thereby expanding the Company's value chain and market presence.
- **Revenue Growth:** Achieved a robust revenue increase to **₹316.07 crore**, as against **₹121.09 crore** in the previous year—an impressive **growth of 161%**.

- **EBITDA Improvement:** Operating profit (EBITDA) improved significantly to **₹58.53 crore** from **₹28.39 crore**, reflecting a **growth of 106%** on the back of higher capacity utilization and better product mix.
- **Profitability:** Profit after Tax (PAT) rose to **₹20.38 crore**, compared to **₹12.46 crore** in the previous year, marking a **growth of 64%**.
- **Cash Accruals:** Strengthened cash flows with cash accruals at **₹40.19 crore**, nearly doubling from **₹20.82 crore** in the previous year, a **growth of 93%**.
- **Credit Rating:** In recognition of the Company's strengthened financial position and operational performance, CRISIL, one of India's leading rating agencies, assigned a '**BBB Stable**' rating to the Company.

#### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year.

#### **CHANGE IN THE REGISTERED OFFICE OF THE COMPANY**

There was no change in the registered office of the Company during the financial year 2024-25. After the closure of the financial year, the registered office of the Company was shifted to 18 KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025 with effect from 12th May, 2025.

#### **DIVIDEND**

As the Company has not made adequate profits during the year, the Directors of your Company do not recommend any dividend for the financial year ended March 31, 2025.

#### **CAPITAL STRUCTURE**

During the year under consideration, the capital structure of the Company has been changed as under:

##### **Authorized Share Capital:**

The Company has increased its Authorized Share Capital from Rs. 3,25,00,000.00 to Rs. 22,00,00,000.00 in the Extra Ordinary General Meeting held on 21.08.2024. At the end of the Financial year, the Authorized Share Capital of the Company is Rs. 22,00,00,000 (Rupees Twenty-Two Crore) divided into 2,20,00,000 (Two Crore Twenty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each.

##### **Subscribed and Paid up Capital:**

- i. The company has allotted 1,24,00,000 Equity Shares as Bonus Shares to the existing Shareholders in the ratio of 4:1 (Four Bonus shares for One existing share).
- ii. The company has issued and allotted 3,74,145 Equity shares of Rs. 10/- each to the identified persons on Preferential basis at issue price of Rs. 147/- (Rupees One Hundred Forty Seven) per share.

At the end of the F.Y. 2024-2025, the Paid-up Share capital of the Company was Rs. 15,87,41,450/- (Fifteen Crore Eighty-Seven Lakh Forty-One Thousand Four Hundred and Fifty only) divided into 1,58,74,145 (One Crore Fifty-Eight Lakh Seventy-Four Thousand One Hundred and Forty-Five) Equity Shares of Rs. 10/- each.

During the Financial Year 2024-25, the company has also issued 96,608 Compulsorily Convertible Debentures (CCD) at the Issue Price of 735/- per CCD to the identified persons on preferential basis. These CCDs shall be convertible into equity shares as per terms and conditions approved by the shareholders in the EGM dated 02.09.2024.

During the year under review, the company has also passed the special resolution for issue of Optionally Convertible Debentures (OCSs), but the Board of Directors, in its meeting held on 25.10.2024, has abandoned the said resolution and no action has been taken by the Board in this regard.

### **EXTRACT OF ANNUAL RETURN**

As required under Section 134(3)(a) of the Act, the Annual Return for the financial year ended on 31st March 2025 in Form MGT-7 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is put on the Company's website and can be accessed at <https://sonaselection.com>

### **HOLDING/SUBSIDIARY/ASSOCIATE COMPANIES**

The Company has no Holding/Subsidiary or Associate companies during the year under review.

### **AMOUNT TRANSFERRED TO RESERVES**

Your directors do not propose to carry any reserve during the financial year ended March 31, 2025. However, the amount of Securities Premium Account for Rs. 1236.00 Lakhs and Amount of Surplus of profits for Rs. 4.00 Lakhs have been utilized for the issue of fully paid up Bonus Shares to the existing shareholders.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Your Company's Board comprises of the following directors: -

Sr. No	DIN	Name	Designation	Category	Date of Appointment
1	00104156	Uma Nuwal	Whole-Time Director	Promoter	11/02/2022
2	01474313	Harshil Nuwal	Managing Director	Promoter	11/02/2022
3	00104154	Subhash Chandra Nuwal	Non-executive Director	Promoter	11/02/2022
4	08921365	Aditi Kakhani	Additional Director	Independent	18/01/2025
5	10048774	Kanhaiya Lal Acharya	Additional Director	Independent	18/01/2025

Mr. Harshil Nuwal has been appointed as the Managing Director of the Company with effect from 03.02.2025. Mrs. Uma Nuwal has been appointed as the Whole-Time Director of the Company with effect from 03.02.2025.

Mrs. Aditi Kakhani and Mr. Kanhaiya Lal Acharya have been appointed as Independent Directors of the company w.e.f 18.01.2025.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. The Board is of the opinion that Independent Directors of the Company fulfil the conditions of independence specified in the Act and the SEBI (LODR) Regulations and that they are independent of the management.

During the year under review, the company has appointed Mr. Harish Sharma as Company Secretary and Compliance Officer with effect from 25.10.2024 and Mr. Ramesh Chandra Vyas as Chief Financial Officer of the Company with effect from 03.02.2025.

### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board met 16 (Sixteen) times during the financial year 2024-25 i.e., on 07.05.2024, 27.05.2024, 05.06.2024, 27.06.2024, 27.07.2024, 31.07.2024, 23.08.2024, 02.09.2024, 16.09.2024, 25.10.2024, 12.11.2024, 23.11.2024, 18.01.2025, 03.02.2025, 19.03.2025 and 29.03.2025. The necessary quorum were present for all the meetings. The intervening period between the Board Meetings were well within the maximum time between the two meetings prescribed under section 173 of the Companies Act, 2013.

The annual calendar of meetings is broadly determined at the beginning of each year. The details of the meetings held during the year are as under:

Board Meetings			Attendance	
S. No.	Date of Meeting	Total Number of directors as on the date of meeting	Number of directors attended	% of attendance
1.	07-05-2024	3	3	100
2.	27-05-2024	3	3	100
3.	05-06-2024	3	3	100
4.	27-06-2024	3	3	100
5.	27-07-2024	3	3	100
6.	31-07-2024	3	3	100
7.	23-08-2024	3	3	100
8.	02-09-2024	3	3	100
9.	16-09-2024	3	3	100
10.	25-10-2024	3	3	100
11.	12-11-2024	3	3	100
12.	23-11-2024	3	3	100
13.	18-01-2025	3	3	100
14.	03-02-2025	5	5	100
15.	19-03-2025	5	5	100
16.	29-03-2025	5	5	100



## **COMMITTEES OF THE BOARD OF DIRECTORS OF THE COMPANY**

The Board of Directors has constituted the following Committees :

### **AUDIT COMMITTEE**

Your Company has a duly constituted Audit Committee, the composition and charter of which are in line with the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Board has constituted the Audit Committee on 18.01.2025.

The composition of the Audit Committee is as follows:

<b>Name of Member</b>	<b>Designation in Committee</b>	<b>Category/Position in Company</b>
Mr. Kanhaiya Lal Acharya	Chairperson	Independent Director
Mrs. Aditi Kakhani	Member	Independent Director
Mr. Subhash Chandra Nuwal	Member	Non-executive Director

During the year under review, one meeting of the Audit committee was held on 24.01.2025 and all the members were present in that meeting.

### **NOMINATION & REMUNERATION COMMITTEE ("NRC")**

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has duly constituted a Nomination and Remuneration Committee on 18.01.2025.

The composition of the Nomination and Remuneration Committee is as follows:

<b>Name of Member</b>	<b>Designation in Committee</b>	<b>Category/Position in Company</b>
Mrs. Aditi Kakhani	Chairperson	Independent Director
Mr. Kanhaiya Lal Acharya	Member	Independent Director
Mr. Subhash Chandra Nuwal	Member	Non-executive Director

During the year under review, one meeting of the Nomination and Remuneration Committee was held on 03.02.2025 and all the members were present in that meeting. The committee has also formulated the Nomination and Remuneration Policy which specified for the criteria for determining qualifications, positive attributes, and independence of a director for identifying the persons or key managerial personnel for appointment and remuneration.

The Committee has recommended to the Board for appointment and remuneration of Mr. Harshil Nuwal as Managing Director and Mrs. Uma Nuwal as Whole-time Director. The NRC Committee has also recommended the appointment of Chief Financial Officer.

During the year under review, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

**MEETINGS OF THE MEMBERS**

The 2<sup>nd</sup> Annual General Meeting of the Company for the financial year 2023-2024 was held on 30/09/2024 at the Registered Office of the Company.

During the financial year 2024-25, the Company convened three (3) Extra-Ordinary General Meetings on 21st August 2024, 2nd September 2024, and 11th November 2024, to transact the businesses as set out in the respective notices of the meetings.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, the company has not given any loan or provide guarantees/security or made investments, which covered under section 186 of the Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report, except the conversion of Compulsorily Convertible Debentures (CCD) in to Equity Shares of the Company as per terms and conditions.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

No significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

**PARTICULARS OF CONTRACTS OR ARRANGMENTS MADE WITH THE RELATED PARTIES**

During the year, the Company entered into transactions with Related Parties which fall within the purview of Section 188 of the Companies Act, 2013. The particulars of such contracts/arrangements are disclosed in Form AOC-2 and annexed herewith as **Annexure - 1** to this Report.

**DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

In accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the details of the top ten employees of the Company in terms of remuneration drawn during the year are provided in **Annexure - 5** to this Report.

**NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

During the year under review, there is no Subsidiary, Joint Venture or Associate Company.

**DEPOSITS**

The Company has not accepted any deposits under the applicable provisions of the Companies Act, 2013 and the rules framed there under.

**STATUTORY AUDITORS AND AUDITORS' REPORT**

At the First Annual General Meeting held on September 29, 2023, M/s Pokharna Somani & Associates, Chartered Accountants, Bhilwara (Firm Registration No. 011535C), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 6th Annual General Meeting of the Company.

There is no qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report.

**FRAUD'S REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT U/S 143(12)**

There were no frauds reported by the any of the auditors under section 143(12) of Companies Act, 2013 during their course of audit for the financial year 2024-2025.

**COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors has appointed M/s K. C. Moondra & Associates, Practicing Cost Accountants, as Cost Auditors of the Company for the financial year 2025-26, at a remuneration of ₹35,000/-, subject to ratification by the members. Accordingly, a resolution seeking members' approval for ratification of the remuneration payable to the Cost Auditors forms part of the Notice of the Annual General Meeting.

**INTERNAL AUDITORS**

Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board of Directors has appointed CA Manish Kumar Jindal (PAN: ABBPJ8803E, Membership No.: 057009) as the Internal Auditor of the Company to undertake the Internal Audit for the financial year 2025-26. The role of the Internal Auditor includes, but is not limited to, reviewing internal audit observations and monitoring the implementation of corrective actions required, reviewing various policies, and ensuring their proper implementation.

The suggestions of the Internal Auditor were reviewed, and necessary corrective and preventive actions were taken in consultation with the Audit Committee. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and the Board from time to time.

**SECRETARIAL AUDITORS**

During the year under review, the provisions relating to Secretarial Audit were applicable to the Company and the Board of Directors has appointed M/s. R K Jain & Associates, Practicing Company Secretary of the Company for the Financial Year 2024-25.

As per the Regulation 24A of the SEBI (LODR) Regulations, 2015 as amended, the company is required to appoint Secretarial Auditors for a period of Five years in the General Meeting of the Members. The Board

of Directors recommends to appoint M/s. R K Jain & Associates, Practicing Company Secretary as Secretarial Auditors from the FY 2025-26 to FY 2029-30 and the item is proposed in the Notice of this AGM.

The Report of Secretarial Auditors is annexed as **Annexure-4**. The observations, adverse remarks made in the Secretarial Audit Reports were of procedural errors and inadvertent errors/mistakes in the filling and filing of the various Forms with MCA and the management of the company has taken the corrective measures and submit some of the Forms to MCA to rectify the errors/ mistakes.

#### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy for prevention of sexual harassment at the workplace, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). An Internal Complaints Committee ("ICC") has been duly constituted as per the provisions of the POSH Act to redress complaints regarding sexual harassment at the workplace.

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed thereunder. Further details are as follow:

a.	Number of complaints of Sexual Harassment received in the Year	0
b.	Number of Complaints disposed-off during the year	NA
c.	Number of cases pending for more than ninety days	NA

#### **DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016**

During the financial year under review, there were no application/s made or proceeding were pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

#### **DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS**

During the Financial year under review, there were no One Time Settlement of Loans taken from Banks and Financial institutions.

#### **SECRETARIAL STANDARDS**

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Meeting of Shareholders (EGM/AGM) i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

**INTERNAL CONTROL SYSTEMS**

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

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

The particulars as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are annexed to this Report as ***Annexure - 3***.

**LIQUIDITY**

Your Company maintains sufficient cash to meet our strategic objectives. We clearly understand that the liquidity in the Balance Sheet is to ensure balance between earning adequate returns and the need to cover financial and business risks. Liquidity also enables your Company to position itself for quick responses to market dynamics.

**CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the provisions of Section 135 of the Companies Act, 2013, the total CSR liability of the Company for the Financial Year 2024-25 was ₹19.27 lakhs. During the year, the Company has spent ₹19.58 lakhs towards various social and welfare initiatives aligned with the activities prescribed under Schedule VII of the Act.

A brief outline of the CSR Policy of the Company, along with the details of initiatives undertaken during the year, is annexed to the Directors' Report as ***Annexure - 2***.

**STATEMENT SHOWING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed:

- a) That in the preparation of the annual accounts for the period ended 31.03.2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the loss of the Company for the period ended 31.03.2025;
- c) That the Directors had 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) That the Directors had prepared the annual accounts on a going concern basis and
- e) That 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.

### **ACKNOWLEDGEMENT**

Your Board takes this opportunity to place on record their appreciation for the dedication and commitment of employees shown at all levels. Your Board also wishes to place on record its appreciation for the services rendered by its auditor, consultants business partners, Bankers, Service Providers as well as regulatory and government authorities for extending support and placing their faith and trust on the Board.

*For and on behalf of the Board of Directors*  
Sonaselection India Limited

Date – 08.09.2025  
Place – Bhilwara

Harshil Nuwal  
Managing Director  
DIN – 01474313

Subhash Chandra Nuwal  
Director  
DIN - 00104156



## **Annexure 1**

### **PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES**

*(Pursuant to Clause(h) of Sub section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 –Form AOC -2)*

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

### **DETAILS OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS NOT AT ARM'S LENGTH BASIS**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length Basis.

### **DETAILS OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS AT ARM'S LENGTH BASIS**

Details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2025 are as follows:

<b>Name of Related Party</b>	<b>Nature of Relationship</b>	<b>Amount (Rs. In Lac)</b>
<b><u>Nature of Contracts</u></b>		
<b><u>Sale of Goods/Services (Job Processing)</u></b>		
M/s Sona Styles Ltd.	Common Directors	297.56
M/s Sona Processors (India) Limited	Common Directors	80.65
<b><u>Purchase of Goods/Services (Job Processing)</u></b>		
M/s Sona Styles Ltd.	Common Directors	12063.98
M/s Sona Texfab Private Limited	Common Directors	16.72
Sona Processors India Limited	Common Directors	351.22
<b><u>Availing of Services</u></b>		
Deepank Bhandari	Promoter	120.00

*For and on behalf of the Board of Directors*  
Sonaselection India Limited

Date – 08.09.2025  
Place – Bhilwara

Harshil Nuwal  
Managing Director  
DIN – 01474313

Subhash Chandra Nuwal  
Director  
DIN - 00104156

## Annexure 2

### **The Annual Report on CSR Activities for Financial Year Ended 31<sup>st</sup> March, 2025**

*(Information pursuant to section 134 (3) (0) of the Companies Act, 2013 read with the Rule 8 & 9 of (Companies CSR Rule, 2014)*

#### **1. Brief outline on CSR Policy of the Company**

The CSR activities of the Company are carried out directly and also through contribution/donation made to other organisation/institution for the activities specified under Schedule VII of the Companies Act, 2013. As per CSR policy, the Company endeavours to make CSR a key business process for sustainable development and continuously enhance shareholder's wealth it is also committed to encourage its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our Company's CSR Committee believes that it is important for the organization to focus on philanthropic activities in terms of animal welfare, medical facilities, prevention from hunger & poverty, promotion of educational activities, empowering women, making available safe drinking water, setting up old age homes, environment protection, health care, promote to sports etc.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been placed at the website of the Company <https://www.sonaselection.com>.

2. Composition of CSR Committee: The Company has not constituted a Corporate Social Responsibility (CSR) Committee in terms of the exemption provided under Section 135(9) of the Companies Act, 2013, as the CSR expenditure obligation of the Company does not exceed ₹50 lakh.
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - <https://www.sonaselection.com>.
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any  
Amount available for set off for the financial year: **NIL**.
6. Average net profit of the company as per section135(5)- **Rs. 14,45,49,053/-** as per below detail:

<b>Financial Year</b>	<b>Profit (Rs.)</b>
2023-2024	16,86,34,853.00
2022-2023	12,04,63,253.00
Total	28,90,98,106.00
Average Profit of above said Profit	14,45,49,053.00

7. (a) Two percent of average net profit of the company as per section135(5) - Rs. 28,90,981.06  
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial Years - **NIL**.  
(c) Amount required to be set off for the financial year 2023-24: Rs. 11,59,264.45  
(d) Total CSR obligation for the financial year (7a+7b-7c) - Rs. 40,50,245.51

8. (a) CSR amount spent or unspent for the financial year:

I.Total amount to be spent for the financial year: Rs. 28,90,981.06

II.Amount unspent as on 31.03.2025: Rs. 9,32,981.06

III.Amount spent on CSR activities for the F.Y. 2024-25: Rs. 19,58,000/-

IV.Manner in which the amount spent during FY 2024-25 is detailed below:

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for The project (Rs in Lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation -Through Implementing Agency
				State	District		Name
							CSR Registration number
- Not Applicable -							

(c) Details of CSR amount spent against other than ongoing projects for the financial year:  
Rs. 19,58,000/-

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year(8b+8c+8d+8e): Rs 19,58,000/-

(g) Excess amount for set off, if any: Not Applicable

Sl. No.	Particular	Amount (Rs)
(i)	Two percent of average net profit of the company as per section135(5)	
(ii)	Total amount spent for the Financial Year (7C+8F)	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmers or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Sec. 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2023-24	11,59,264.45	0.00	-	-	-	11,59,264.45

- (b) Detail of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project- Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : **No Assets Created or acquired through CSR expenditure in the financial Year.**
11. Specify the reason (s), if the company has failed to spend two percent of heave rage net profit as per section135(5): **Not Applicable**

*For and on behalf of the Board of Directors*  
Sonaselection India Limited

Date – 08.09.2025  
Place – Bhilwara

Harshil Nuwal  
Managing Director  
DIN – 01474313

Subhash Chandra Nuwal  
Director  
DIN - 00104156

**Annexure-3**

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

***(Pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014)***

PARTICULARS	For the year Ended 31.03.2025	For the year Ended 31.03.2024
<b>A: CONSERVATION OF ENERGY</b>	<i>The Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.</i>	
<u>1. Electricity</u>	82.40	76.34
<u>a. Purchase Units (in Lacs)</u>		
Total Amount (in Lacs)	686.81	615.40
Rate/Unit (Amount in Rs)	8.34	8.06
<u>b. Own Generation</u>		
Through Diesel generator		
Unit (In Lacs)	1.28	1.93
Unit Per ltr. of diesel oil	2.60	3.17
Cost / Unit (Rs)	34.58	29.60
<u>2. COAL &amp; PETCOCK USED FOR GENERATION OF STEAM IN BOILER AND TO HEAT THERMIC FLUID OIL IN THERMOPAC</u>		
- Quantity (In Tones)	47431.71	28948.45
- Total Cost (In Lacs)	2197.46	1767.74
- Average rate/M.T	4632.96	6106.52
<u>B. Consumption per unit of production</u>		
(Product Synthetic Fabrics)	589.41	482.75
Electricity per MTR of Fabric in unit	0.14	0.16
Fuel per MTR of Fabric/Kg.	0.80	0.60
<u>B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION</u>	<i>Company is regularly investing and importing newer processing machinery to upgrade the technology and give value added products.</i>	
Expenditure incurred on R&D during the year.		
-Capital Expenditure	Nil	Nil
-Recurring Expenditure -	<i>The expenditure form the part of general expenses of the company, the precise amount is not quantifiable.</i>	
<u>C. FOREIGN EXCHANGE EARNINGS AND OUT GO.</u>		
	Rs. in Lacs	Rs. in Lacs
Foreign exchange earnings	0.00	0.00
Foreign exchange outgo	492.08	3118.30

*For and on behalf of the Board of Directors*  
Sonaselection India Limited

Date – 19.05.2025  
Place – Bhilwara

Harshil Nuwal  
Managing Director  
DIN – 01474313

Subhash Chandra Nuwal  
Director  
DIN - 00104156

**Annexure-4****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To****The Members****SONASELECTION INDIA LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sonaselection India Limited** (hereinafter referred as “the Company”) for the financial year ended March 31, 2025 (“period under review”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the period under review, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, returns filed and other records maintained by the Company for the period under review according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 (the Act) and the rules made thereunder and re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs); ***There was no FDI, ODI and ECBs during the period under review.***
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’), to the extent applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***Not applicable to the company during the period under review.***
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***Not applicable to the company during the period under review.***
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***Not applicable to the company during the period under review.***
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. ***Not applicable to the company during the period under review.***
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; ***Not applicable to the company during the period under review.***
  - (f) 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; ***Not applicable to the company during the period under review.***
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. ***Not applicable to the company during the period under review.***
  - (h) The Securities and Exchange Board of India (Buy Back of securities) Regulations, 2018. ***Not applicable to the company during the period under review.***



- (i) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. ***Not applicable to the company during the period under review.***
  - (j) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018. ***Not applicable to the company during the period under review.***
6. Specific laws applicable to the industry to which the Company belongs, as confirmed by the management, no specific law is applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. **(NOT APPLICABLE)**

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

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and other applicable laws.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees were carried with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company has undertaken the below mentioned specific event/ action that can have a major bearing on the company's compliances responsibility in pursuance of the above referred laws, rules, standards, etc.:

1. Issue of Compulsorily Convertible Debentures (CCDs): The Company has issued and allotted 96,608 Compulsorily Convertible Debentures (CCDs) at issue price of Rs. 735/- per CCD. These CCDs would be convertible into equal number of equity shares and as per terms and conditions of the issue. The e-Forms were filed in this regard with the MCA with information filled and attached documents mentioning Optionally Convertible Debentures (OCDs) instead of CCDs. These errors/mistakes were identified by the company during internal due diligence. To rectify the mistakes, new forms also submitted to MCA with correct information and attached documents. The Company has also filed Form GNL-1 for marking the Form PAS-3 as defective but the same has not been taken on record by ROC. Further e-forms GNL-2 were filed after closing of the Financial Year to provide noting of the inadvertent errors done in filing the Forms relating to CCD issue, etc. These forms were approved by the Registrar of Companies and the rectification/correction in the respective Forms are taken on record.

2. Issue of Bonus Shares: During the audit period, the company has issued and allotted 1,24,00,000 Equity Shares of the company as Bonus Shares in the ratio 4:1 (Four Bonus Shares issued for One existing share).
3. Issue of Equity Shares on Preferential Basis: During the audit period, the company has issued and allotted 3,74,145 Equity Shares of the company on preferential basis to the identified persons at issue price of Rs. 147/- per share. But the Form PAS-3 was filed with incorrect information and documents. Further e-forms GNL-2 were filed after closing of the Financial Year to provide noting of the inadvertent errors done in filing the Forms relating to issue of equity shares on preferential basis. These forms were approved by the Registrar of Companies and the rectification/correction in the respective Forms are taken on record.
4. The company has filed with MCA some of the e-forms with incorrect information and wrong attachments or with delay along with additional fees as prescribed by the Act. The company has revised some of the forms to update the correct information/ documents to MCA and take necessary measures in this regard.

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

For **R K Jain and Associates**  
Company Secretaries  
Peer Review Certificate No. 1361/2021

Place: Bhilwara  
Date: 07.09.2025

**CS R. K. JAIN**  
Proprietor  
COP No. 5866  
FCS No. 4584

*'Annexure A'*

**To**  
**The Members**  
**SONASELECTION INDIA LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of event, etc.
5. The compliances of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination is limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For R K Jain and Associates**  
Company Secretaries  
Peer Review Certificate No. 1361/2021

Place: Bhilwara  
Date: 07.09.2025

**CS R. K. JAIN**  
Proprietor  
COP No. 5866  
FCS No. 4584

**Annexure-5**

**DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATIONS PAID**

***(Under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016)***

	Name	Designation /Department	Annual Remuneration	Date of commencement of employment	Qualification	Experience	Age	Regular/ Contractual	Last Employment
1	RAJNIKANT SARASWAT	GM	10,52,172	01.08.2022	M.Com	38	63	Regular	Sharda Syntex Private Limited
2	AJAY JAIN	VP	13,20,000	01.01.2024	B.TECH (Textile)	23	46	Regular	Nahar Industrial Enterprises Ltd.
3	VIPIN KUMAR DIWEDI	VP	29,78,400	01.06.2024	M.B.A. (Marketing)	21	48	Regular	Nitin Spinners Limited
4	RAMESH CHANDRA VYAS	CFO	6,88,992	01.09.2022	M.COM+ C.A.	11	37	Regular	Madhya Bharat Agro Products Limited
5	HARISH SHARMA	C.S.	7,20,000	01.11.2024	C.S -MBA	9	34	Regular	Sudiva Spinners Private Limited
6	VIJAY SINGH MANDAN	TM	9,60,000	21.04.2025	B.TECH (Textile)	40	62	Regular	Sangam India Limited
7	MANISH JINDAL	CFO	9,60,000	02.07.2024	B.COM+ C.A.	25	55	Regular	Sangam India Limited
8	VIKUL KUMAR	QA Head	10,58,400	01.04.2024	B.SC+ Diploma	21	41	Regular	Nahar Industrial Enterprises Ltd.
9	VIPIN AGARWAL	GM	6,86,880	01.06.2022	B.Com	22	47	Regular	Sona Processors (India) Limited
10	SAURABH SUMAN	HR-HEAD	10,54,800	10.06.2024	MBA-HR	18	39	Regular	BIRLA CENTURY

**Notes-**

1. None of the employees was in receipt remuneration in excess of remuneration exceeding Rs 1 Crore other than Shri Harshil Nuwal, Managing Director of the Company.

For and on behalf of the Board of Directors  
**Sonaselection India Limited**

Date – 08.09.2025  
Place – Bhilwara

Harshil Nuwal  
Managing Director  
DIN – 01474313

Subhash Chandra Nuwal  
Director  
DIN - 00104156

**POKHARNA SOMANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS****Ph.: +91 1482 241112**  
**Cell: +91 94140 19413****E-mail : pokharnasomani@yahoo.co.in****Address : 12 PS House, Sancheti Colony, Mirchi Mandi Road, Bhilwara-311001****INDEPENDENT AUDITORS' REPORT****To the Members of SONASELECTION INDIA LTD, BHILWARA****Report on the Financial Statements**

We have audited the accompanying financial statements of M/s SONASELECTION INDIA LTD, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2025, Statement of Profit and Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2025 and a summary of significant accounting policies and other explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2025, and its loss and its cash flow for the year ended on that date

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independent requirement that are relevant to our audit of the financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Information other than financial statements and Auditors report thereon**

The company's Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the management discussion and analysis, Board's report including Annexure to Board's Report but does not include the financial statements and our Auditors report thereon. Our opinion on financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statement or other information obtained during the course of our audit or otherwise appear to be materially misstated. If, based on the work we have

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

### **Management's Responsibility those charged with governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

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

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

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

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

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

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A attached hereto our comments on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books



- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. on the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013
- f. with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- g. With respect to other matters to be included in Auditor's report in accordance with rule 11 of the companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanation given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - (ii) The company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.
  - (iii) There are no amounts required to be transferred to the Investor Education and Protection Fund during the year by the Company.
  - (iv) a) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (v) The company has not paid any dividend during the year.
- (vi) As per Provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 and Based on our examination which included test checks, we report that the Company has used an accounting software For maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated during the year for all relevant transactions recorded in the software. Further, during the course of our audit we have not come across any instance of the audit trail feature being tampered with.

For: POKHARANA SOMANI & ASSOCIATES  
Chartered Accountants  
Firm Registration Number 011535C

(SUMIT BUMB)  
PARTNER  
M.NO 429413

PLACE : BHILWARA  
DATE : 19.05.2025  
UDIN : 25429413BMIXRY1725

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure A referred to in Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2025, we report that:

1. a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment  
(B) The Company is maintaining proper records showing full particulars of intangible Assets  
b) The Property, Plant and Equipment are physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification as compared to the available records. In our opinion, the procedures followed by the management for such physical verification are reasonable and adequate in relation to the size of the company and nature of its business.  
c) Immovable land were held in the name of the Company.  
d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. According, reporting under Clause 3 (i) (d) of the order is not applicable  
e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.
2. a) The physical verification of inventory has been conducted by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification of physical stock and the book records were not material in relation to the operations of the company. The discrepancies noticed on verification between physical stock and book records were not 10% or more in aggregate for each class of inventories.  
b) The Company has been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns and statements comprising stock and creditors statements, book debt statements and other stipulated financial information filed by the Company with such bank are not having material difference with the unaudited books of account of the Company, of the respective months/ quarters and those differences are of explainable items and in nature.
3. The Company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its subsidiaries and associates during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable.
4. According to the information and explanations given to us, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 and the company has not provided any grant of loans, investments made, guarantees given and securities provided.

5. In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance and Deposits) Rules, 2014, as amended, with regard to deposit accepted by the Company from the public or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. As explained to us, the Central Government has prescribed maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect to the company's products. We are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company. However we have not made detailed examination of such records.
7. a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax provident fund, employee's state insurance, income tax, sales tax, custom duty, cess, excise duty, service tax, value added tax and other statutory dues applicable to it. According to the information and explanations given to us, there are no amounts payable in respect of such statutory dues, which have remained outstanding as at 31<sup>st</sup> March, 2025 for a period more than six months.  
  
b) In our opinion and according to the information & explanations given to us, there are no dues in respect of income tax, wealth tax, Sales tax, excise duty, custom duty and cess that have not been deposited on account of any dispute.
8. According to the information and explanations given to us, the Company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. a) According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks or any lenders.  
  
b) According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared willful defaulter by any bank or financial institution or other lender.  
  
c) According to the information and explanations given to us and on the basis of the books and records examined by us, the term loans taken during the year have been applied for the purposes for which those were obtained.  
  
d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes  
  
e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that during the year the Company has not taken any funds from an entity or person, on account of or to meet the obligations of its subsidiaries or associate companies.

10. a) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has issued 374145 Equity Shares and 96608 Compulsory Convertible Debentures during the year.
11. a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.
- b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) According to the information and explanations given to us, the company is not covered under section 177(9) of the Companies Act during the year. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable.
12. The company is not a Nidhi Company hence this clause is not applicable.
13. According to the information and explanations given to us and on the basis of records of the Company examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. a) According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected to its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable.
16. a) As per the information and explanations given to us and on basis of books and records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934; the Company has not conducted any Non-banking Financial or Housing Finance activities during the year; the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable to the Company
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly the reporting under clause 3(xvi)(b) of the order is not applicable to the company.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly the reporting under clause 3(xvi)(c) of the order is not applicable to the company.

- d) The Group does not have any CIC, as part of the Group, According the reporting under clause 3(xvi)(d) of the order is not applicable to the company.
17. The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.
18. There has been no resignation by the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable
19. On the basis of ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of any ongoing project accordingly, reporting under clause 3(xx) (b) of the Order is not applicable for the year.
21. The Reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financials. Accordingly, no comments in respect of the said clause has been included in this report.

For: POKHARANA SOMANI & ASSOCIATES  
Chartered Accountants  
Firm Registration Number 011535C

(SUMIT BUMB)  
PARTNER  
M.NO 429413

PLACE : BHILWARA  
DATE : 19.05.2025  
UDIN : 25429413BMIXRY1725

## **ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT**

The Annexure B referred to in Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2025, we report that:

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

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that 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 March 31, 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: POKHARANA SOMANI & ASSOCIATES  
Chartered Accountants  
Firm Registration Number 011535C

PLACE : BHILWARA  
DATE : 19.05.2025  
UDIN : 25429413BMIXRY1725

(SUMIT BUMB)  
PARTNER  
M.NO 429413



**PART I – AUDITED BALANCE SHEET**

Name of the Company  
Balance Sheet as at 31st March

**SONASELECTION INDIA LIMITED**  
**2025**

Amount in Rs.

Particulars		Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
1		2	3	4
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
(a)	Share capital	1	15,87,41,450	3,10,00,000
(b)	Reserves and surplus	2	48,93,61,849	35,82,65,084
	Share application money pending allotment		-	-
2	Non-current liabilities			
(a)	Long-term borrowings	3	1,38,32,58,670	1,11,84,08,800
(b)	Deferred tax liabilities (Net)		9,79,05,758	7,29,42,038
3	Current liabilities			
(a)	Short-term borrowings	4	76,62,53,725	32,84,15,521
(b)	Trade payables			
	i) Total O/s dues of micro and small enterprires	5	76,63,023	81,69,277
	ii) Total O/s dues other than (b) (i) above	5	70,86,80,643	3,50,38,923
(c)	Other current liabilities	6	9,33,68,176	4,45,00,102
(d)	Short-term provisions	7	4,57,36,358	2,94,63,882
	TOTAL		3,75,09,69,653	2,02,62,03,627
II.	ASSETS			
	(a) Non-current assets			
1	Property, Plant and Equipment			
	(i) Tangible assets	8	1,69,98,24,295	75,03,60,973
	(ii) Intangible assets	8	-	-
	(iii) Capital work-in-progress	8	10,19,61,793	72,57,17,725
	(b) Other Non- Current Assest	9	75,74,409	1,01,19,691
2	Current assets			
(a)	Trade Receivable	10	69,41,92,376	13,95,08,852
(b)	Inventories	11	97,07,60,971	19,06,94,344
(c)	Cash and cash equivalents	12	5,55,51,957	8,61,56,794
(d)	Short-term loans and advances	13	-	-
(d)	Other current assets	14	22,11,03,852	12,36,45,248
	TOTAL		3,75,09,69,653	2,02,62,03,627

Notes to Accounts from Note No. 1 to 29 form an integral part of these accounts.

As per our report of even date attached.

For POKHARNA SOMANI & ASSOCIATES  
Chartered Accountants

For and on behalf of Board of Directors  
SONASELECTION INDIA LIMITED

(SUMIT BUMB)  
Partner  
(Firm Regn No.011535C/Membership No. 429413)  
Place Bhilwara  
Date 19.05.2025  
UDIN : 25429413BMIXRY1725

Subhash Chandra Nuwal  
Director  
DIN: 00104154

Harshil Nuwal  
Managing Director  
DIN: 01474313

Ramesh Chandra Vyas  
C.F.O.  
PAN : AGPPV5302B

Harish Sharma  
Company Secretary  
PAN : DLYPS9815R

**PART II - STATEMENT OF PROFIT AND LOSS**

Name of the Company

**SONASELECTION INDIA LIMITED**

Profit and loss statement for the year ended 31st March

**2025**

Amount in Rs.

Particulars	Note No.	Figures for the current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	15	3,16,06,85,871	1,21,08,86,816
II. Other income	16	71,07,922	22,09,949
<b>III. Total Revenue (I + II)</b>		<b>3,16,77,93,793</b>	<b>1,21,30,96,765</b>
IV. Expenses:			
Consumption of Raw Material	17	2,27,37,09,567	52,94,27,460
Purchases of Stock-in-Trade	18	1,46,04,738	53,60,768
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	-44,13,39,760	-5,20,29,643
Employee benefits expense	20	37,33,21,451	22,16,54,329
Finance costs	21	15,03,83,708	4,74,48,754
Depreciation and amortization expense	8	17,31,35,695	6,79,69,801
Other expenses	22	36,22,08,947	22,46,30,443
<b>Total expenses</b>		<b>2,90,60,24,346</b>	<b>1,04,44,61,912</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>26,17,69,447</b>	<b>16,86,34,853</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>26,17,69,447</b>	<b>16,86,34,853</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>26,17,69,447</b>	<b>16,86,34,853</b>
X Tax expense:			
(1) Current tax		4,57,36,358	2,94,63,882
Less : MAT Credit Entitlement		-1,32,07,531	-14,32,396
(2) Deferred tax		2,49,63,720	1,57,46,291
(2) Income Tax for earlier year		4,38,000	2,23,358
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>20,38,38,899</b>	<b>12,46,33,718</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>20,38,38,899</b>	<b>12,46,33,718</b>
XVI Earnings per equity share:			
(1) Basic		12.84	40.20
(2) Diluted		12.84	40.20

Notes to Accounts from Note No. 1 to 29 form an integral part of these accounts.

As per our report of even date attached.

For POKHARNA SOMANI & ASSOCIATES

Chartered Accountants

For and on behalf of Board of Directors

**SONASELECTION INDIA LIMITED**

(SUMIT BUMB)

Partner

(Firm Regn No.011535C/Membership No. 429413)

Place: Bhilwara

Date 19.05.2025

UDIN : 25429413BMIXRY1725

Subhash Chandra Nuwal

Director

DIN: 00104154

Harshil Nuwal

Managing Director

DIN: 01474313

Ramesh Chandra Vyas

C.F.O.

PAN : AGPPV5302B

Harish Sharma

Company Secretary

PAN : DLPS9815R

Name of the Company		SONASELECTION INDIA LIMITED		2024	
Cash Flow statement for the year ended 31st March		2025		2024	
				Amount in Rs.	
S.No	Particulars	As at 31st March 2025		As at 31 March 2024	
A	<b>Cash Flow from Operating Activities</b>				
	Net Profit/Loss before extra ordinary items and tax		26,17,69,447		16,86,34,853
	Adjustments for:				
	Depreciation and Amortisation	17,31,35,695		6,79,69,801	
	Interest	15,03,83,708		4,74,48,754	
			32,35,19,403		11,54,18,555
	<b>Operating Profit before Working Capital changes</b>		58,52,88,850		28,40,53,408
	Changes in Working Capital:				
	Adjustments for (increase)/ decrease in operating assets:				
	Inventories	(78,00,66,627)		(4,45,25,665)	
	Trade Receivables	(55,46,83,524)		88,88,823	
	Other Non- Current Asset	25,45,282		(48,55,282)	
	Loans and Advances	-		-	
	Other Current Assets	(8,42,51,073)		(5,29,16,955)	
	Decrease/(Increase) in Current Assets		(1,41,64,55,942)		(9,34,09,079)
	Adjustments for increase/ (decrease) in operating liabilities:				
	Trade Payables	67,31,35,465		9,88,781	
	Other Current Liabilities	4,88,68,074		1,79,95,922	
	Provisions	-		-	
	Increase/ (Decrease) in Current Liabilities		72,20,03,539		1,89,84,703
	Cash generated from operations		(10,91,63,552)		20,96,29,032
	Less Taxes paid		2,99,01,882		3,07,65,049
	Net cash flow from / (used in) operating activities (A)		(13,90,65,435)		17,88,63,982
B	<b>Cash flow from investing activities</b>				
	Purchase of fixed assets	(39,68,81,292)		(32,72,19,588)	
	Capital WIP	(10,19,61,792)		(72,57,17,725)	
	Sale of Fixed Assets	-		-	
	Net cash flow from/(used in) investing activities (B)		-49,88,43,084		(1,05,29,37,313)
C	<b>Cash flow from financing activities</b>				
	Proceeds from Equity Share Capital	5,49,99,315		-	
	Proceeds/(Repayment) of short term borrowing	43,78,38,204		13,90,41,030	
	Proceeds from long term borrowing	26,48,49,870		85,39,16,552	
	Interest paid	(15,03,83,708)		(4,74,48,754)	
	Net cash flow from / (used in) financing activities ( C )		60,73,03,682		94,55,08,828
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		(3,06,04,837)		7,14,35,497
	Cash and cash equivalents at the beginning of the year		8,61,56,794		1,47,21,297
	<b>Cash and cash equivalents at the end of the year *</b>		5,55,51,957		8,61,56,794
	* Comprises:				
	a Cash on hand		17,848		3,00,626
	b Cheques/ Drafts on hand		-		-
	c Balances with Bank:		5,55,34,109		8,58,56,168
	d Others				
	e Current Investments				
			5,55,51,957		8,61,56,794

Notes to Accounts from Note No. 1 to 29 form an integral part of these accounts.

As per our report of even date attached.

For POKHARNA SOMANI & ASSOCIATES

Chartered Accountants

For and on behalf of Board of Directors

SONASELECTION INDIA LIMITED

(SUMIT BUMB)

Partner

(Firm Regn No.011535C/Membership No. 429413)

Place: Bhilwara

Date 19.05.2025

UDIN : 25429413BMIXRY1725

Subhash Chandra Nuwal

Director

DIN: 00104154

Harshil Nuwal

Managing Director

DIN: 01474313

Ramesh Chandra Vyas

C.F.O.

PAN : AGPPV5302B

Harish Sharma

Company Secretary

PAN : DLYPS9815R

**Note 1 Share Capital**

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorised</b>				
Equity Shares of ` 10/- each	2,20,00,000	22,00,00,000	32,50,000	3,25,00,000
<b>Issued</b>				
Equity Shares of ` 10/- each	1,58,74,145	15,87,41,450	31,00,000	3,10,00,000
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ` 10/- each fully paid	1,58,74,145	15,87,41,450	31,00,000	3,10,00,000
<b>Total</b>	<b>1,58,74,145</b>	<b>15,87,41,450</b>	<b>31,00,000</b>	<b>3,10,00,000</b>

**Note 1.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

	Equity Shares As at March 2025		Equity Shares As at March 2024	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	31,00,000	3,10,00,000	-	-
Shares Issued during the year	3,74,145	37,41,450	31,00,000	3,10,00,000
Bonus shares Issued during the year	1,24,00,000	12,40,00,000	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,58,74,145</b>	<b>15,87,41,450</b>	<b>31,00,000</b>	<b>3,10,00,000</b>

**Note 1.2 Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

Equity Shares      Company has one class of equity shares of face value of Rs.10 each.  
Shareholders are entitled to one vote per share and all other rights as per  
Company Act, 2013 read with Memorandum and Articles of Association of

**Note 1.3 Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates**

	As at 31st March 2025		As at 31st March 2024	
	No. of Shares held		No. of Shares held	
NO HOLDING COMPANY				

**Note 1.4 Details of shares held by each shareholder holding more than 5% shares**

	As at 31st March 2025		As at 31st March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Deepank Bandari	77,25,000	48.66%	15,45,000	49.84%
Sona Polyspin Private Limited	45,25,000	28.51%	9,05,000	29.19%
Subhash Nuwal	17,74,990	11.18%	3,54,998	11.45%
Harshil Nuwal	14,74,985	9.29%	2,94,997	9.52%

**Note 1.5 Details of shares held by each Promoters**

	As at 31st March 2025		As at 31st March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Deepank Bandari	77,25,000	48.66%	15,45,000	49.84%
Sona Polyspin Private Limited	45,25,000	28.51%	9,05,000	29.19%
Subhash Nuwal	17,74,990	11.18%	3,54,998	11.45%
Harshil Nuwal	14,74,985	9.29%	2,94,997	9.52%
Uma Nuwal	5	0.00%	1	0.00%
Shikha Nuwal	5	0.00%	1	0.00%
Kailash Bhandari	5	0.00%	1	0.00%
Anita Bhandari	5	0.00%	1	0.00%
Mukesh Pareek	5	0.00%	1	0.00%

**Note 2 Reserves & Surplus**

	As at 31 March 2025	As at 31st March 2024
<b>a. Securities Premium Account</b>		
Opening Balance	12,36,00,000	-
Add : Securities premium credited on Share issue	5,12,57,865	12,36,00,000
(-) Bonus issue in Current year	(12,36,00,000)	-
(-) Written Back in Current Year		
Closing Balance	<b>5,12,57,865</b>	<b>12,36,00,000</b>
<b>b. Capital Reserve</b>		
Opening Balance	7,87,37,948	7,87,37,948
(+) Current Year Transfer	-	-
Closing Balance	<b>7,87,37,948</b>	<b>7,87,37,948</b>
<b>c. Surplus</b>		
Opening balance	15,59,27,136	3,12,93,418
(+) Net Profit/(Net Loss) For the current year	20,38,38,899	12,46,33,718
(-) Bonus issue in Current year	(4,00,000)	
Closing Balance	<b>35,93,66,036</b>	<b>15,59,27,136</b>
<b>Total</b>	<b>48,93,61,849</b>	<b>35,82,65,084</b>

Note:

During the FY 2024-25, The company has allotted Bonus Equity Shares to the shareholders of the company in the proportion of 4 new fully paid-up Equity Share of Face Value of Re. 10/- each for every 1 existing fully paid-up Equity Share of Face Value of Re. 10/- each.

**Note 3 Long Term Borrowings**

	As at 31 March 2025	As at 31st March 2024
<b>Secured</b>		
<b>Term loans &amp; vehicle Loan</b>		
From HDFC Bank	1,30,36,37,897	1,00,84,91,818
Less : current maturities of term loans (included in note 4)	17,33,14,290	8,89,90,798
(a)	<b>1,13,03,23,607</b>	<b>91,95,01,020</b>
<b>Unsecured</b>		
Unsecured Loan from promoters, Directors and Body Corporates	18,19,28,183	19,89,07,780
Compulsory convertible Debenture	7,10,06,880	-
(b)	<b>25,29,35,063</b>	<b>19,89,07,780</b>
	<b>1,38,32,58,670</b>	<b>1,11,84,08,800</b>
<b>Total</b>	<b>1,38,32,58,670</b>	<b>1,11,84,08,800</b>

**Notes and Terms & Condition of Loans:-**

- Term Loans :-** Term Loan facility from HDFC Bank comprises of 4 term loans. All the 4 Term loans including current maturities are secured by way of first charge over entire Fixed assets (Present & Future) of the company including equitable mortgage of its Factory Land & building situated at 18 K.M. Stone, Chittor Road, Guwardi, Bhilwara in the name of M/s Sonaselection India Limited & personally guaranteed by guaranteed Directors & guarantors of the Company, viz Subhash Nuwal, Harshil Nuwal, Uma Nuwal, Deepank Bhandari, Kailash Bhandari and Anita Bhandari.

**Term Loan 1 -** Sanctioned & Disbursed for Rs. 24.14 Crores (Outstanding Balance - Rs. 17.02 Crores) is repayable in monthly installments of Rs. 37.37 Lacs. Last date of Repayment is December 2029. Rate of Interest Linked with 3M Repo Rate

**Term Loan 2 -** Sanctioned & Disbursed for Rs. 11.75 Crores (Outstanding Balance - Rs. 9.44 Crores) is repayable in monthly installments of Rs. 18.97 Lacs. Last date of Repayment is June 2030. Rate of Interest Linked with 3M Repo Rate

**Term Loan 3- Sanctioned Rs. 85 Crore (Outstanding Balance - Rs. 80.44 crore) is repayable in monthly installments of Rs. 61.24 Lacs till September 2024 and then Rs. 134.35 Lacs. Last date of Repayment is October 2031. Rate of Interest Linked with 3M- Repo Rate**

**Term Loan 4- Sanctioned Rs. 22.63 Crore (Outstanding Balance - Rs. 21.54 crore) is repayable in monthly installments of Rs. 61.24 Lacs till September 2024 and then Rs. 134.35 Lacs. Last date of Repayment is October 2031. Rate of Interest Linked with 3M- Repo Rate**
- Vehicle loans** are taken HDFC bank Ltd , repayable in next 5 years. Loan including current maturities are secured by way of hypothecation over vehicles. Out of the outstanding Loans of Rs. 191.25 Lacs, Rs. 44.03 Lacs will due in next 1 year.
- Unsecured loan** is taken from promoters, Directors and Body Corporates. As Explained the same will become due for payment after a period of 1 year.
- Compulsory convertible Debenture** During the year, the Company has issued 96,608 unsecured 0.001% Compulsorily Convertible Debentures (CCDs) of face value ₹10 each, aggregating to ₹735 (including premium ₹725) , on 16th September 2024. These CCDs carry a nominal interest rate of 0.001% per annum and are mandatorily convertible into equity shares of the Company on or before 18 months from the date of allotment, i.e., by 15th March 2026.

**Note 4 Short Term Borrowings**

	As at 31 March 2025	As at 31st March 2024
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
- CC Limits From HDFC Bank	41,71,88,823	20,94,24,723
- CC Limits From SBI Bank	17,57,50,613	-
- WCDL From HDFC Bank	-	3,00,00,000
Current Maturity of Long term Borrowing	17,33,14,290	8,89,90,798
<b>TOTAL</b>	<b>76,62,53,725</b>	<b>32,84,15,521</b>

**Notes and Terms & Condition of Loans:-**

**Working Capital Facility** of Rs. 45.00 crore taken from HDFC bank ( P.Y. Rs. 25.00 crore) & Rs. 22.00 Crore taken from SBI (P.Y. Nil) is secured by way of hypothecation created in favour of bank on stocks of raw materials, semi finished & finished goods, stores and spares parts, book debts & other current assets of the company lying in factory premises or elsewhere in the name of M/s sonaselection India Limited Present & Future. & mortgage of Immovable property in the name of guarantors. Also personally guaranteed Directors & guarantors of the Company, viz Subhash Nuwal, Harshil Nuwal, Uma Nuwal, Deepank Bhandari, Kailash Bhandari and Anita Bhandari.

**Note 5 Trade Payables**

	As at 31 March 2025	As at 31st March 2024
a Total Outstanding dues of the micro and small enterprises	76,63,023	81,69,277
b Total Outstanding dues other than (a) above	70,86,80,643	3,50,38,923
c Total Outstanding dues to capital Goods		
<b>Total</b>	<b>71,63,43,666</b>	<b>4,32,08,200</b>

**Note 5 (A) Trade payable ageing Schedule (31.03.2025)**

Period	MSME	Others	Disputes dues - MSME	Disputes dues - Others	Total
Unbilled Dues	-	-	-	-	-
less than 1 years	76,63,023	70,10,17,620	-	-	70,86,80,643
1-2 years	-	-	-	-	-
2-3 Years	-	-	-	-	-
More than 3 years	-	-	-	-	-
<b>Total as on 31.03.2025</b>	<b>76,63,023</b>	<b>70,10,17,620</b>	<b>-</b>	<b>-</b>	<b>70,86,80,643</b>

**Note 5 (B) Trade payable ageing Schedule (31.03.2024)**

Period	MSME	Others	Disputes dues - MSME	Disputes dues - Others	Total
Unbilled Dues	-	-	-	-	-
less than 1 years	81,69,277	3,50,38,923	-	-	4,32,08,200
1-2 years	-	-	-	-	-
2-3 Years	-	-	-	-	-
More than 3 years	-	-	-	-	-
<b>Total as on 31.03.2024</b>	<b>81,69,277</b>	<b>3,50,38,923</b>	<b>-</b>	<b>-</b>	<b>4,32,08,200</b>

**Note 6 Other Current Liabilities**

	As at 31 March 2025	As at 31st March 2024
Creditor for Expenses	1,46,69,698	98,11,441
Creditor for Capital Goods Procurement	2,65,85,331	-
Employees & Worker Dues	2,26,60,141	1,45,60,282
Other Payables	1,815	-
Statutory remittances (Contribution to PF, ESIC & TDS etc.)	51,36,439	36,70,722
Leave Encashment Payable A/C	69,50,002	40,91,157
Bonus Payable	27,99,479	18,63,710
Gratuity Payable A/C	74,88,556	44,27,882
Interest accrued but not due on borrowings	69,41,714	59,99,908
Audit Fee Payable	1,35,000	75,000
<b>Total</b>	<b>9,33,68,176</b>	<b>4,45,00,102</b>

**Note 7 Short Term Provisions**

	As at 31 March 2025	As at 31st March 2024
(a) Others (Specify nature)		
Provision for Income Tax	4,57,36,358	2,94,63,882
<b>Total</b>	<b>4,57,36,358</b>	<b>2,94,63,882</b>

**Note 8 Tangible and Intangible Assets**

Assets	Gross Block			Accumulated Depreciation			Net Block	Net Block
	Balance as at 01 April, 2024	Additions	Disposals	Balance as at 31 March, 2025	On disposals	Balance as at 31 March, 2025	Balance as at 31 March, 2025	Balance as at 31 March, 2024
<b>I Tangible Assets</b>								
i Land	3,83,35,094	8,50,000		3,91,85,094	-	-	3,91,85,094	3,83,35,094
ii Buildings	9,30,03,514	34,13,50,899		43,43,54,413	1,13,59,801	1,70,24,556	41,73,29,857	8,73,38,759
iii Plant and Equipment	69,88,49,059	76,80,55,958	-	1,46,69,05,016	15,34,29,731	24,72,01,446	1,21,97,03,571	60,50,77,344
iv Furniture and Fixtures	1,43,242	42,23,576	-	43,66,818	3,30,961	3,57,911	40,08,907	1,16,292
v Vehicles	2,21,92,866	57,03,911	-	2,78,96,777	70,91,303	1,08,39,234	1,70,57,543	1,84,44,935
vi Office equipment	13,22,864	10,24,906	-	23,47,769	7,08,152	10,26,762	13,21,007	10,04,254
vii Computer/Inverters/UPS	1,04,737	13,89,767	-	14,94,505	2,15,747	2,76,189	12,18,316	44,295
<b>Total</b>	<b>85,39,51,376</b>	<b>1,12,25,99,017</b>	-	<b>1,97,65,50,393</b>	<b>17,31,35,695</b>	<b>27,67,26,098</b>	<b>1,69,98,24,295</b>	<b>75,03,60,973</b>
<b>Previous Year</b>	52,67,31,788	32,72,19,588	-	85,39,51,376	6,79,69,801	10,35,90,403	75,03,60,973	49,11,11,186
II Tangible Capital Work In Progress	72,57,17,725	9,55,62,793	72,57,17,725	9,55,62,793	-	-	9,55,62,793	-
III Intangible Capital Work In Progress		63,99,000		63,99,000	-	-	63,99,000	-
<b>Total</b>	<b>72,57,17,725</b>	<b>10,19,61,792</b>	<b>72,57,17,725</b>	<b>10,19,61,792</b>	-	-	<b>10,19,61,793</b>	-
<b>Previous Year</b>	-	72,57,17,725	-	72,57,17,725	-	-	72,57,17,725	-
<b>Total</b>	<b>1,57,96,69,101</b>	<b>1,22,45,60,809</b>	<b>72,57,17,725</b>	<b>2,07,85,12,185</b>	<b>17,31,35,695</b>	<b>27,67,26,098</b>	<b>1,80,17,86,088</b>	<b>75,03,60,973</b>

**Note 8.1 Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule III to the Companies Act, 2013**

Sums written off on a reduction of capital or revaluation of assets or sums added on revaluation of assets with amount of the reduction or increase as applicable together with the date thereof for the first five years subsequent to the date of such reduction or increase.

v

**Note 8.2 Depreciation and amortisation relating to continuing operations:**

**Depreciation and amortisation relating to continuing operations for the year**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
	2025	2024
Depreciation and amortisation on Tangible Assets as per I above	17,31,35,695	6,79,69,801
Depreciation and amortisation on Intangible Assets as per II above	-	-
<b>TOTAL</b>	<b>17,31,35,695</b>	<b>6,79,69,801</b>

**Note 8.3 Capital Work-in-Progress Tangible and Intangible**

**Capital Work-in-Progress Schedule**

Capital Work-in-Progress	Amount in capital work-in-Progress for a period of			Total as at 31.03.2025
	Less than 1 years	1-2 years	More than 3 years	
Project in Progress	10,19,61,792	-	-	10,19,61,792
Project temporarily suspended	-	-	-	-



**Note 9 Other Non Current Assets**

	As at 31 March	As at 31 March
	2025	2024
<b>a. Security Deposits</b>		
Secured, considered good		
Unsecured, considered good		
with AVVNL	75,54,409	1,00,99,691
with CDSL	10,000	10,000
With NSDL	10,000	10,000
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
<b>a</b>	<b>75,74,409</b>	<b>1,01,19,691</b>
<b>b. Capital Advnace</b>		
<b>b</b>	-	-
	<b>75,74,409</b>	<b>1,01,19,691</b>
<b>Total</b>	<b>75,74,409</b>	<b>1,01,19,691</b>

**Note 10 Trade Receivables**

	As at 31 March	As at 31 March
	2025	2024
Secured, considered good		
Unsecured & Undisputed, considered good	69,41,92,376	13,95,08,852
Unsecured & Undisputed, considered doubtful	-	-
Unsecured & Disputed, considered good		
Unsecured & undisputed, considered good		
Less: Provision for doubtful debts		
<b>Total</b>	<b>69,41,92,376</b>	<b>13,95,08,852</b>

**Note 10 (a) Trade Receivable ageing schedule:**

	As at 31 March	As at 31 March
	2025	2024
<b>Period</b>	<b>Undisputed Trade Receivable</b>	<b>Undisputed Trade Receivable</b>
	<b>Considered Goods</b>	<b>Considered Goods</b>
Less than 6 Months	69,41,92,376	13,95,08,852
6 months-1 years	-	-
1-2 years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>69,41,92,376</b>	<b>13,95,08,852</b>

**Note 11 Inventories**

	As at 31 March	As at 31 March
	2025	2024
(Values at Lower of Cost and Market Value)		
<b>(a) Raw materials</b>		
Dyes & Chemical	3,43,61,253	3,70,60,583
Coal & Fuel	1,38,54,100	1,53,43,214
Grey fabrics	22,79,29,977	-
Yarn	11,92,20,297	-
(b) Job Work-in-progress (To the extend of Processing Cost)	1,73,20,109	2,23,56,335
(c) Finish Fabrics	37,79,12,518	3,01,86,408
(d) Job Finished goods - (To the extend of Processing Cost)	7,84,12,339	7,56,51,375
(e) Own Grey fabrics under process	9,58,88,912	-
(f) Stores and spares & Packing Material	58,61,466	1,00,96,429
<b>Total</b>	<b>97,07,60,971</b>	<b>19,06,94,344</b>

**Note 12 Cash and cash equivalents**

	As at 31 March	As at 31 March
	2025	2024
a. Balances with banks	21,33,283	4,11,00,984
In deposit Account with maturity up to 12 months	-	-
As margin money against borrowing, guarantee and other commitments	5,34,00,826	4,47,55,184
	5,55,34,109	8,58,56,168
b. Cheques, drafts on hand		
c. Cash on hand*	17,848	3,00,626
d. Others (specify nature)	-	-
	<b>5,55,51,957</b>	<b>8,61,56,794</b>

**Note 13 Short-term loans and advances**

	As at 31 March	As at 31 March
	2025	2024
<b>a. Loans and advances to related parties</b>		
Unsecured, considered good	-	-
	-	-
	-	-

**Note 13.1 Loans and advances due by directors or other officers of the company**

	As at 31 March	As at 31 March
	2025	2024
Directors *		
Other officers of the Company *		
Firm in which director is a partner *		
Private Company in which director is a member	-	-
	-	-

\*Either severally or jointly

**Note 14 Other current assets (specify nature)**

	As at 31 March	As at 31 March
	2025	2024
GST Receivable	15,13,62,420	8,80,34,362
Prepaid Expenses	12,57,963	6,11,678
TDS / TCS Receivable	2,00,21,723	2,20,90,525
Interest Receivable	4,58,931	3,59,543
Interest Receivable under RIPS	11,92,372	-
Other Advances	21,70,516	11,16,744
Mat Credit Entitlement	1,46,39,927	14,32,396
Advnace Income tax	3,00,00,000	1,00,00,000
	<b>22,11,03,852</b>	<b>12,36,45,248</b>

**Note 15 Revenue from operations**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
Domestic Sales	3,15,95,19,995	1,20,97,90,233
Store & Chemical Sale A/C	11,65,877	10,96,583
<b>Total</b>	<b>3,16,06,85,871</b>	<b>1,21,08,86,816</b>

**Note 16 Other Income**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
Interest Income on FDR	33,01,336	18,02,956
Other income	-	7,500
Interest subsidy under RIPS	31,35,623	-
Interest Income on AVVNL	6,70,963	3,99,493
<b>Total</b>	<b>71,07,922</b>	<b>22,09,949</b>

**Note 17 Raw Material Consumption**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
<b>Raw Material :</b>		
Stock at beginning of the year	5,24,03,797	6,17,09,333
Purchases during the year (Net of return)	2,61,66,71,396	52,01,21,924
Stock at end of the year	39,53,65,627	5,24,03,797
<b>Raw material Consumed</b>	<b>2,27,37,09,567</b>	<b>52,94,27,460</b>
<b>Material consumed comprise of</b>		
Dyes & Chemicals	29,36,22,216	21,26,18,209
Fabric	1,63,90,34,303	13,43,24,312
Yarn	11,65,53,240	-
Coal & Fuel	22,44,99,808	18,24,84,939
<b>Total</b>	<b>2,27,37,09,567</b>	<b>52,94,27,460</b>

**Note 18 Goods purchased/ services rendered or supplied under broad head**

	For the year ended 31 March	For the year ended 31 March
	2025	2024
<b>Goods Purchased</b>		
Finish Fabric Purchases	1,46,04,738	53,60,768
<b>Total</b>	<b>1,46,04,738</b>	<b>53,60,768</b>

**Note 19 Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

	For the year ended 31 March	For the year ended 31 March
	2025	2024
<b>Opening Stock</b>		
Finished goods (Job)	7,56,51,375	2,88,42,383
Work in progress (Job)	2,23,56,335	2,00,02,669
Fabric (Own)	3,01,86,408	2,73,19,423
	12,81,94,118	7,61,64,475
<b>Closing Stock</b>		
Finished goods (Job)	7,84,12,339	7,56,51,375
Work in progress (Job)	1,73,20,109	2,23,56,335
Own Grey fabrics under process	9,58,88,912	-
Finish Fabric (Own)	37,79,12,518	3,01,86,408
	56,95,33,878	12,81,94,118
<b>Change in inventories</b>	<b>(44,13,39,760)</b>	<b>(5,20,29,643)</b>

**Note 20**

**Employee Benefits Expense**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
Salaries & Wages, Bonus & Leave encashment & Gratuity	35,10,16,226	20,62,39,089
Contributions to Provident, ESI	83,75,783	75,28,377
Staff welfare expenses	1,39,29,442	78,86,863
<b>Total</b>	<b>37,33,21,451</b>	<b>22,16,54,329</b>

**Note 21 Finance Costs**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
<b>Interest Paid on</b>		
Term Loan	10,21,00,493	2,68,99,671
Working Capital	3,65,19,356	1,46,34,117
Vehicle	15,29,222	11,95,120
Others	2,84,182	13,00,300
USL	97,15,755	21,71,317
bank processing charges	2,34,700	12,48,230
<b>Total</b>	<b>15,03,83,708</b>	<b>4,74,48,754</b>

**Note 22 Other Expenses in major heads**

	For the Period ended 31 March	For the Period ended 31 March
	2025	2024
<b>Direct /Production Overheads</b>		
Consumption of stores and spare parts	8,91,37,732	7,86,86,875
Consumption of packing material	2,79,05,676	1,80,62,921
Power Expenses	6,86,80,781	6,15,40,397
Effluent Treatment & Water Expenses	1,52,61,171	1,32,89,133
Repairs and maintenance - Buildings	5,81,111	39,877
Job Processing charges & Job Weaving & Sizing Charges	6,63,29,546	-
Repairs and maintenance - Machinery	53,90,169	59,29,378
<b>a</b>	<b>27,32,86,187</b>	<b>17,75,48,581</b>
<b>Establishment &amp; Administrative Expenses</b>		
Bank Charges	7,88,194	4,52,377
Advertisement Expenses	27,340	58,500
Membership & Subscription Fees	16,86,610	11,450
Festival & Pooja Expenses	3,13,159	5,39,309
Share Issued Exp.	17,81,250	-
Repair Others	5,21,023	1,88,485
Donation Expenses	4,87,000	6,87,300
Insurance Charges	21,22,856	17,53,196
Legal & Professional Expenses	1,63,13,768	1,44,50,029
Office Expenses	7,34,200	3,635
Payment to Auditors (Refer Note 20)	1,50,000	75,000
Printing & Stationary Exp.	21,85,489	8,43,638
Rent Expenses	5,99,100	9,30,000
Rate & Taxes Exp.	3,71,363	38,18,921
Telephone & Internet charges	1,17,995	1,59,585
Sundry Balance Written off	2,206	2,172
Postage & Courier Exp.	9,94,162	22,070
CSR Activity	19,58,000	12,50,000
Travelling Exp. & conveyance Expenses	32,37,665	4,11,942
<b>b</b>	<b>3,43,91,380</b>	<b>2,56,57,609</b>
<b>Selling and Distribution Expenses</b>		
Freight and forwarding	3,08,28,010	1,75,88,028
Agency commission	56,87,122	-
Cash discount on sale	1,80,16,247	38,36,225
<b>c</b>	<b>5,45,31,380</b>	<b>2,14,24,253</b>
<b>TOTAL (a+b+c)</b>	<b>36,22,08,947</b>	<b>22,46,30,443</b>

**Note 23 Contingent liabilities and commitments (to the extent not provided for)**

	As at 31 March 2025	As at 31 March 2024
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	-	-
<b>(ii) Commitments</b>		
In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation, which is required to be met at different dates, before 09.03.2030. In the event of non-fulfillment of the export obligation, the company will be liable to pay custom duties and penalties, as applicable.	-	-

**Note 24 Disclosure pursuant to Note no. 6(V) of Part I of Schedule III to the Companies Act, 2013**

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.

NOT APPLICABLE

**Note 25 Payments to the auditor as**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Auditor	1,00,000	50,000
B. For taxation matters	50,000	25,000
<b>Total</b>	<b>1,50,000</b>	<b>75,000</b>

**Note 26 Expenditure incurred on following items**

S.N o	Particulars	For the year ended 31	For the year ended 31
		March	March
		2025	2024
1	Value of imports calculated on C.I.F basis by the company during the financial year in respect of –		
	I. Raw materials;	-	-
	II. Components and spare parts;	-	-
	III. Capital goods;	-	-
2	Expenditure in foreign currency during the financial year on account of		
	i. royalty, know-how, professional and consultation fees,	-	-
	ii. interest, and other matters;	-	-
	iii. other matters;	-	-
3	Earnings in foreign exchange		
	I. Export of goods calculated on F.O.B. basis;	-	-
	II. Royalty, know-how, professional and consultation fees;	-	-
	III. Interest and dividend;	-	-
	IV. Other income, indicating the nature thereof	-	-
4	Amount remitted during the year in foreign currencies on account of dividends		
	i. Total number of non-resident shareholders	-	-
	ii. Total number of shares held by them on which the dividends were due	-	-
	iii. Year to which the dividends related;	-	-
5	Total value of raw materials consumed during the financial year		
	Percentage		
	2025		
	i. Imported 0%	-	-
	ii. Indigenous 100%	2,28,83,14,304	53,47,88,228
6	Total value of spare parts and components consumed during the financial year		
	Percentage		
	2025		
	i. Imported 0%	-	-
	ii. Indigenous 100%	6,86,80,781	6,15,40,397

**Note 27 Disclosure pursuant to AS 18 Related Parties Transactions**

Nature of relationship	Name of related parties
Director	Subhash Nuwal
Director	Harshil Nuwal
Director	Uma Nuwal
Director' Relative	Deepank Bhandari
Significantly influenced by Directors	Sona Styles Limited
	Sona Processors (I) Ltd.
	Sona Tex Fab Private Limited

Nature of transaction	For the year ended 31	For the year ended 31
	March	March
	2025	2024
Remuneration To Harshil Nuwal	1,20,00,000	1,16,00,000
Remuneration To Uma Nuwal	60,00,000	58,00,000
Professional Fee paid to Deepank Bhandari	1,20,00,000	1,20,00,000
Job Process charges received from Sona Styles Limited	2,97,56,613	11,79,20,165
Job Process charges received from Sona Processors India Limited	69,03,920	39,23,145
Job Process charges received from Sona Texfab Private Limited	-	92,88,630
Fabrics Purchase from Sona Texfab Private Limited	16,71,620	5,14,013
Fabrics Purchase from Sona Styles Limited	1,13,28,59,327	21,30,968
Job Weaving Charges paid to Sona Styles Limited	15,50,452	
Yarn Purchase from Sona Styles Limited	7,19,88,405	
Job Process charges Paid to Sona Processors India Limited	3,51,22,312	
Factory Unit Purchase from Sona Processors India Limited under Slump Sale	-	-
Dyes, Chemical Sale to Sona Processors India Limited	11,61,146	7,95,967
Dyes, Chemical purchase from Sona Processors India Limited	-	2,36,212

**Note 28 Narrative description of items of Financial Statements**

**1 Confirmation of balances**

Balance under debtors, creditors, receivables, unsecured loan & advances are subject to confirmation and reconciliation if any.

**2 Claims**

Claims of customers, suppliers and other parties are accounted for as and when settled.

**3 Valuations of current assets**

In the opinion of the Board of Directors, Current Assets & Advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet.

**4 Value of Purchases**

Purchases include insurance and all procurement expenses incurred up to the arrival of material at plant site and net of purchases return and sales at cost.

**5 Previous year figures**

The previous period figures have been regrouped reclassified, wherever considered necessary.

**6 Liability towards SSI**

The Company has sought details from suppliers as micro, small and medium enterprises under the provision of "Micro, Small, Medium Enterprises developments (MSMED) Act 2006" as at 31st March 2025. Total outstanding is Rs. 76.63 Lacs

**7 Segment Accounting**

The Company deals in only one segment i.e. textiles thus no need to report segment-wise Assets, Liabilities, Revenue & Expenditure separately other than as shown in Balance Sheet.

**8 Financial Ratios**

Particulars	Formula	Denominator	31st March 2025	31st March 2024	Variance %	Reasons for Variance of above 25%
Current Ratio	Current assets	Current liabilities	1.20	1.21	-1.21	
Debt Equity Ratio	Total debt	Shareholder's Equity	3.32	3.72	-10.77	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.27	0.20	38.69	Debt service coverage ratio is improve due Increase in Profitability
Return of Equity	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.31	0.32	-1.77	
Inventory turnover ratio	Sales	Average Inventory	5.44	7.19	-24.29	See Note 1
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	7.58	8.41	-9.86	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	6.93	12.30	-43.68	See Note 1
Net capital turnover ratio	Net Sales	Working Capital	9.88	12.82	-22.96	See Note 1
Net profit ratio %	Net Profit	Net Sales	0.06	0.10	-37.34	See Note 1
Return on capital employed %	Earning before interest and taxes(EBIT)	Capital Employed	0.90	0.73	23.76	Increase in Profitability

Note 1 : During the year ended March 31, 2025, the Company established and commenced operations of a new, technologically advanced processing plant. This strategic investment enables in-house processing of fabrics for the Company's own manufacturing requirements, thereby reducing reliance on external job-work facilities. Concurrently, the Company has initiated the sale of its own manufactured fabrics, marking a shift from primarily providing job-work processing services to its customers. Previously, the Company primarily engaged in providing processing facilities on a job-work basis for its customers. therefore there is variation above mentioned Ratios.



**9 Title deeds of immovable Properties**

Title deeds of immovable Properties are in the name of the company.

- 10 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any
- 11 The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- 12 The Company does not have any transactions with struck-off companies.
- 13 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the
- 14 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017
- 15 The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 16 The Company has not received any funds from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 17 The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of
- 18 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 19 Borrowing secured against current assets**
- The Company has borrowings from the bank on the basis of security of current assets. The Quarterly return or monthly stock statement of current assets filed by the company with bank are in agreement with the books of accounts
- 20 Utilization of borrowings availed from the Bank and financial institutions**
- The borrowing obtained by the company have been applied for the purpose for which such loans were taken.

**Note 29 Significant Accounting Policies**

**1 Basis of preparation of Financial Statement:**

- i) The company generally follows the mercantile system of accounting and recognizes Income and expenditure on an accrual basis.
- ii) The financial statements have been prepared in accordance with the historical cost convention and in accordance with the generally accepted accounting principles & provisions of Companies Act,

**2 Property, Plant and Equipment**

- i) Property, Plant and Equipment are stated at cost of acquisition and subsequent improvements thereto including taxes, duties (Goods & Service tax paid to the extent of which CENVAT is availed), freight and other incidental expenses related to acquisition and installation.
- ii) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- iii) The Company reviews the carrying values of tangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

**3 Miscellaneous Expenditure:**

Miscellaneous expenditure has been amortized over 5 years starting from Year of commencement of commercial production as per provision of section 35D of Income-Tax Act, 1961.

**4 Revenue Recognition:**

- i) Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes & Goods & services Tax and gain (GST). The Company recognizes revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Company
- ii) **Sale of goods**  
Sales are recognized when substantial risk and rewards of ownership are transferred to customer, in case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped on-board.
- ii) **Revenue from services**  
Revenue from services is recognized in the accounting period in which the services are rendered.  
Other operating revenue – Export incentives Export Incentives under various schemes are accounted in the year of export.

**5 Borrowing Cost:**

Interest cost relating to:

- i) Funds borrowed for acquisition of fixed assets are capitalized till the date of commissioning of commercial production and thereafter charged to Profit & Loss account.
- ii) Funds borrowed for other purposes are charge to Profit & Loss A/c.

**6 Inventory Valuation:**

- i) Inventories are valued at lower of the cost and net realizable value.
 

(a) Raw Material	At lower of Cost or Net Realizable Value
(b) Stores & Spares	At lower of Cost or Net Realizable Value
(c) Finish Processed Fabrics (Job)	At lower of Cost or Net Realizable Value
(d) Work in process	At cost or realizable value wherever Possible, whichever is Lower.
- ii) Cost of Finish Goods & Process Stock includes cost of conversion and other cost incurred in bringing the inventories to their present location and conditions
- iii) Net Realizable value on Fabric received for job processing is the estimated processing price in the ordinary course of business, the estimated cost necessary to make the processing cycle complete

**7 Government grants and subsidies:**

Government grants relating to the purchase of property, plant and equipment are included in other equity as deferred income and are credited to statement of Profit and Loss on a systematic basis over the expected life of related assets and presented within other income.

**8 Foreign Exchange Transaction:**

- i) Transactions in foreign currencies are accounted for at prevailing exchange rates, Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realizations in the statement of profit and loss.
- ii) Monetary items denominated in foreign currencies at the yearend are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and loss.

**9 Tax Expense:**

The tax expense for the period comprises current and deferred tax.

**i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**ii) Deferred tax**

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 and assets 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. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**10 Provision, Contingent Liabilities and Contingent Assets:**

- i) A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- ii) Provisions are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**11 Gratuity and other post-employment benefits**

- i) The Company recognizes contribution paid or payable to the provident fund as an expense.
- ii) Leave encashment is accounted for on the basis of accumulated leave to the credit of employees at the year end and amounts determined as per report obtained from actuarial valuer.
- iii) Gratuity is recognised as an expenses at the value of the amounts determined as per report obtained from actuarial valuer.

**12 Earnings Per Share**

**i) Basic earnings per share**

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**ii) Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**For POKHARNA SOMANI & ASSOCIATES**

**Chartered Accountants**

**For and on behalf of Board of Directors**

**SONASELECTION INDIA LIMITED**

**(SUMIT BUMB)**

**Partner**

**(Firm Regn No.011535C/Membership No. 429413)**

**Place: Bhilwara**

**Date 19.05.2025**

**UDIN : 25429413BMIXRY1725**

**Subhash Chandra Nuwal**

**Director**

**DIN: 00104154**

**Harshil Nuwal**

**Managing Director**

**DIN: 01474313**

**Ramesh Chandra Vyas**

**C.F.O.**

**PAN : AGPPV5302B**

**Harish Sharma**

**Company Secretary**

**PAN : DLYPS9815R**

**FORM NO. MGT-11  
PROXY FORM**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and rule19 (3) of the Companies (Management and Administration) Rules, 2014)**

<b>Name of the Member(s):</b>	
<b>Registered Address:</b>	
<b>Email Id:</b>	
<b>Folio No/Client ID:</b>	
<b>DPID:</b>	

I / We, being the member(s) of shares of the above-named Company, hereby appoint:

(1) Name..... Address.....  
Email ID..... Signature..... or failing him/her

(2) Name..... Address.....  
Email ID..... Signature..... or failing him/her

As my / our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, 30th September 2025 at 04:00 P.M. at the registered office of the Company situated at 18 KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, 311025 at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Business
1.	ADOPTION OF ANNUAL AUDITED FINANCIAL STATEMENTS AND REPORTS THEREON
2.	APPOINTMENT OF UMA NUWAL (DIN: 00104156), AS WHOLE TIME DIRECTOR OF THE COMPANY
3.	APPOINTMENT OF HARSHIL NUWAL (DIN: 01474313), AS MANAGING DIRECTOR OF THE COMPANY
4.	APPOINTMENT OF ADITI KAKHANI (DIN: 08921365) AS INDEPENDENT DIRECTOR OF THE COMPANY
5.	APPOINTMENT OF KANHAIYA LAL ACHARYA (DIN: 10048774) AS INDEPENDENT DIRECTOR OF THE COMPANY:
6.	APPOINTMENT OF KAMLESH KUMAR CHOUDHARY (DIN: 09291860) AS INDEPENDENT DIRECTOR OF THE COMPANY
7.	RATIFICATION OF COST AUDITOR'S REMUNERATION FOR FY 2025-26
8.	APPOINTMENT OF SECRETARIAL AUDITOR OF THE COMPANY

Signed this day of \_\_\_\_\_ 2025

Signature of the Shareholder\_\_\_\_\_

Signature of Proxy\_\_\_\_\_

Affix Revenue  
Stamp of Rs. 1/-

### **ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional attendance slips on request. (Folio Nos., DPID\*, ClientID\* & Name of the Shareholder/Joint holders/Proxy in BLOCK LETTERS to be furnished below)

Shareholder/Proxyholder	DPID*	Client ID*	Folio	No. of Shares held

I hereby record my presence at the Annual General Meeting of the Company, to be held on Tuesday, 30th September 2025 at 04:00 P.M. at the registered office of the Company situated at 18 KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, 311025.

**SIGNATURE OF THE SHAREHOLDER OR PROXY**\_\_\_\_\_

#### **NOTES:**

- Shareholders/Proxy holders are requested to bring the admission slips with them when they come to the meeting and hand them over at the gate after affixing their signatures on them.
- Shareholders intending to require any information to be explained in the meeting are requested to inform the company at least 3 hours in advance of their intention to do so, so that the papers relating thereto may be made available if the Chairman permits such information to be furnished.
- Shareholders are requested to advise indicating their account numbers, the change in their address, if any to the company.
- Shareholders are requested to bring their copies of the notice to the venue of the AGM.

## ROUTE MAP OF THE VENUE OF AGM

