

INDEX

SR. NO.	PARTICULARS	PAGE NUMBER
1.	NOTICE OF ANNUAL GENERAL MEETING	2-16
2.	DIRECTORS' REPORT AND ANNEXURES	17-42
3.	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	43-46
4.	CORPORATE GOVERNANCE REPORT	47-70
5.	INDEPENDENT AUDIT REPORT	71-81
6.	AUDITED FINANCIAL STATEMENTS	82-143

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting (AGM) of the company is to be held on Thursday, the 30th day of November, 2023 at 11.30 a.m. through Video conferencing (VC) or Other Audio Visual Means (OAVM) and the deemed venue for the AGM shall be at the registered office of the company at Village Banondi, PO: Shahzadpur, Teh. Naraingarh, Distt. Ambala, Haryana to transact the following business(s):

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Audited Financial Statements of the company for the financial year ended on March 31, 2023 along with the Director's and Auditor's report thereon.
2. To appoint a director in place of Mr. Sandeep Singh (DIN: 07275838) who retires by rotation and being eligible, offers himself for re-appointment as a director.

SPECIAL BUSINESS

3. **To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2024.**

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 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], the remuneration payable to M/s Khushwinder Kumar & Co., Cost Accountants having Firm Registration No. 100123, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024, amounting to Rs. 75,000/- (Rupees Seventy Five Thousand only) (plus all applicable taxes and reimbursement of out of pocket expenses), be ratified.

FURTHER RESOLVED THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

4. **To consider and approve the re-appointment of Mr. Sandeep Singh (DIN: 07275838) as Whole Time 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 196, 197 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, including the statutory modifications and re-enactments thereof, for the time being in force, consent of the members be and is hereby accorded for the re-appointment of Mr. Sandeep Singh (DIN: 07275838), as the Whole Time Director of the company w.e.f. 17.10.2023 for a further term of 3 years at a monthly remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only).

FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of the appointee, the company has no profits or the profits are inadequate, the company may pay to the appointee, the above remuneration as the minimum remuneration by way of salary as specified above.”

Date: 23.10.2023

Place: Naraingarh

By the order of Board of Directors
Naraingarh Sugar Mills Limited

SANDEEP SINGH GHUMAN

Whole Time Director

DIN: 07275838

NOTES:-

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 3 of the accompanying Notice is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022 (collectively referred to as "MCA Circulars") read with Securities and Exchange Board of India ("SEBI") circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/ P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred to as "SEBI Circulars"), permitted the companies for holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The procedure for participating in the meeting through VC / OAVM is explained in the notes hereunder.

As the AGM is being held pursuant to the MCA and SEBI Circulars for General Meetings through VC / OAVM, the facility to appoint proxy will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for venue of AGM are not annexed to this Notice. However, a Body Corporate is entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.

3. Institutional / Corporate Members (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy (PDF / JPEG format) of its Board or governing body Resolution / Authorization etc. authorizing the representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to Mr. Kanwaljit Singh, the Scrutinizer appointed by the Company, by e-mail on his registered e-mail address kanwalcs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. The information of the Director seeking re-appointment at the ensuing AGM is provided at **Annexure-A** to this Notice as prescribed under regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.
5. In compliance with the MCA and SEBI Circulars for General Meetings, Notice of the AGM of the Company, inter alia, indicating the process and manner of e-voting and the Annual Report 2022-23 are being sent only through electronic mode to those Members whose e-mail address are registered with the Company / DP.
6. As per regulation 40 of the Listing Regulations, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised mode, except for transmission or transposition or re-lodged for transfer of securities. Further, SEBI vide its circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical mode are requested to consider

to dematerialise their holdings at the earliest, as it will not be possible to transfer shares held in a physical mode. Members can contact the Company or RTA for assistance in this regard.

7. Issue of shares in demat mode only:-

SEBI vide its notification dated January 24, 2022 amended certain provisions of the Listing Regulations inter alia pertaining to issue of shares in demat mode only. Further SEBI vide its circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 issued operational guidelines for dematerialization of securities received for processing investor's service request.

8. The Company has engaged the service of Central Depository Services (India) Limited, for assisting the Members for casting of votes by remote e-voting as well as the e-voting system on the date of the AGM and VC facility shall also be provided by CDSL.
9. **Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications electronically including Annual Report, Notices, Circulars, etc. from the Company.**

Members may also note that the Notice of the AGM and the Annual Report 2022-23 are uploaded and available on the website of the Company, the Stock Exchanges and CDSL at www.naraingarhsugarmillsltd.com, and www.evotingindia.com respectively. The copies of the documents will also be available for electronic inspection during normal business hours on working days, from the date of circulation of this Notice up to the date of AGM. For any communication, the members may also send requests to the Company's investor e-mail id at cs@nsml.in.

10. **Inspection of Documents**:- The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to cs@nsml.in.

11. E-Voting (voting through electronic means):

- I. The businesses as set out in the Notice shall be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Standard 2 of the Secretarial Standard on General Meetings and in compliance with regulation 44 of the Listing Regulations and pursuant to the MCA and SEBI Circulars for General Meetings, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with CDSL to facilitate the members to cast their votes from a place other than venue of the AGM ("**remote e-voting**"). The facility for voting shall be made available at the AGM through electronic voting and the members attending the meeting who have not cast their vote by remote-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member using remote e-voting as well as e-voting at the meeting on the date of the AGM will be provided by CDSL.

In terms of provisions of section 107 of the Act, as the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM.

- II. In view of the continued Covid-19 pandemic, social distancing is still a norm to be followed and pursuant to the MCA and SEBI Circulars for General Meetings, physical attendance of the members at the AGM venue is not required and AGM can be held through VC / OAVM. Accordingly, members can attend and participate in the ensuing AGM through VC / OAVM.
- III. The Members can join the AGM through VC / OAVM mode 15 minutes before the scheduled time for AGM and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and the Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- IV. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
- V. A person whose name is recorded in the Register of Members and in the List of Beneficial Owners maintained by the depositories as on 23rd November, 2023 (“**cut-off date**”) shall be entitled to avail the facility of remote e-voting or voting at the time of AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.

The members whose names appear in the Register of Members and List of Beneficial Owners as on cut-off date are entitled to vote on Resolutions set forth in the Notice of AGM. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for seeking assistance for issuance of the User id and Password for exercising their right to vote by electronic means.

- VI. **Process for those members whose e-mail ids, mobile nos. are not registered with the Depositories:**
 - i. Members holding shares in physical mode-please provide the necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by e-mail to **Company/RTA**.
 - ii. Members holding shares in demat mode-please update your e-mail id and mobile number with your respective DP.
 - iii. Individual members holding shares in demat mode-please update your e-mail id and mobile number with your respective DP which is mandatory for e-voting and joining the AGM through VC / OAVM through Depository.
- VII. **Instructions for members for remote e-voting, e-voting during AGM and joining the AGM through VC/OAVM are as under:**
 - i. The remote e-voting period commences at **9:00 a.m. (IST) on 27th November 2023 and ends at 5:00 p.m. (IST) on 29th November, 2023**. During this period members of the Company, holding shares either in physical mode or in dematerialized mode, as on the cut-off date i.e. 23rd November, 2023, may cast

their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Pursuant to SEBI Circular No. SEBI/HO/FD/CMD/CIR/P/2020/242 dated December 9, 2020, under regulation 44 of the Listing Regulations, listed companies are required to provide remote e-voting facility to its members in respect of all members’ resolutions.

Currently there are multiple e-voting service providers (“ESPs”) providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts/ websites of Depositories/ DPs. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

- iii. In view of the aforesaid SEBI Circular dated December 9, 2020, individual members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. **Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility.** Pursuant to the aforesaid SEBI Circular dated December 9, 2020, login method for e-voting and joining virtual meetings for individual members holding shares in demat mode is given below:-

Type of Members	Login Methods
Individual member holding shares in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="496 1040 1326 1276">1. Users who have opted for CDSL’s Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. <li data-bbox="496 1312 1326 1548">2. After successful login, the Easi / Easiest user will be able to see the e-voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-voting service provider i.e. CDSL / NSDL / Karvy / Link Intime as per information provided by Issuer / Company. Additionally, we are providing links to e-voting Service Providers, so that the user can visit the e-voting service providers’ site directly. <li data-bbox="496 1584 1326 1685">3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration <li data-bbox="496 1721 1326 1816">4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a link on www.cdslindia.com home page. The system will authenticate the

	<p>user by sending OTP on registered Mobile and e-mail id as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress during or before the AGM.</p>
<p>Individual member holding shares in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL:https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

<p>Individual member (holding shares in demat mode) login through their DPs</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

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

Login Type	Helpdesk Numbers
<p>Individual members holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no.:1800 22 55 33.</p>
<p>Individual members holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.</p>

iv. Login method for e-voting and joining AGM through VC/OAVM for **members other than individual members holding shares in demat and physical mode** is as under:

1. The members should log on to the remote e-voting website www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if the members are registered on CDSL’s EASI/EASIEST e – service, a member can login at <http://www.cdslindia.com> from login myeasi using its login credentials. Once a member successfully log in to CDSL’s EASI/EASIEST e-services, click on e-voting option and proceed directly to cast its vote electronically.

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat mode and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:-

	For members holding shares in Demat and Physical mode other than individual members.
PAN	Enter your 10 digit alpha–numeric PAN issued by Income Tax Department (applicable for both, members holding shares in demat mode and members holding shares in physical mode).
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the company’s records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Members holding shares in physical mode will then directly reach the Company selection screen. However, members holding shares in demat mode will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other Company in which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for NARAINGARH SUGAR MILLS LIMITED on which you choose to vote.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.

13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the vote cast by clicking on “Click here to print” option on the voting page.
16. If demat account holder has forgotten the login password, they should enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
17. Members can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while remote e-voting on your mobile.
18. Note for Non-Individual Members and Custodians:
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance Users would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and/or Power of Attorney (“POA”), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively non-individual members are required to send the relevant Board Resolution/authority letter together with attested specimen signature of the duly authorised signatory, who are authorised to vote, to the Scrutinizer and to the Company, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.
19. If you have any queries or issues regarding attending AGM and e-voting from the e-voting system, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

A member can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the meeting. If a member casts votes by both modes, then voting done through remote e-voting shall prevail.

20. Mr. Kanwaljit Singh Thanewal (C.P. No. 5870 and M. No. 5901), Company Secretary, Chandigarh, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
 21. During the 30th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 30th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 30th AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the 30th AGM.
 22. The Scrutinizer shall after the conclusion of e-voting at the 30th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 30th AGM, who shall then countersign and declare the result of the voting forthwith.
 23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.naraingarhsugarmillsltd.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Stock Exchanges.
- v. **Instructions for members attending the AGM through VC / OAVM and e-voting during AGM are as under:-**
1. The procedure for attending the AGM and e-voting on the day of AGM is same as the instructions mentioned above for remote e-voting.
 2. The link for VC / OAVM to attend AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
 3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.
 4. Members are encouraged to join the AGM through Laptops / IPads for better experience.
 5. Further, members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
 6. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable WI-FI or LAN connection to mitigate any kind of aforesaid glitches.
 7. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance at least **7 (seven) days prior to the AGM** mentioning their name, demat account number /folio number, e-mail id and mobile number at cs@nsml.in.

The members who do not wish to speak during the AGM but have queries may send their queries in advance **7 (seven) days prior to the AGM** mentioning their name, demat account number / folio number, e-mail id and mobile number at the Company's e-mail id. These queries will be replied by the Company suitably by e-mail.

8. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
9. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the AGM through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

REQUEST TO THE MEMBERS:-

Members desiring any relevant information on the Audited Financial Statements or any matter to be placed at the AGM are requested to write to the Company at least 7 (seven) days in advance of the date of AGM through e-mail at cs@nsml.in. The same will be replied by the Company suitably.

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

Item No. 3

The Board of the Directors of the company, approved the appointment of M/s Khushwinder Kumar & Co, Cost Accountants, having Firm Registration No. 100123, as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2024. The Board of Directors has recommended a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand Only) plus applicable taxes and reimbursement of such other out of pocket expenses as may be incurred by the said Cost Auditors during the course of the audit. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of a Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2024.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4

Mr. Sandeep Singh was appointed as the director of the Company in the year 2015 and has been since associated with the company playing an integral part in the managing the day to day operations affairs of the company. The existing tenure of Mr. Sandeep Singh as the Whole Time Director of the company expires on 16.10.2023 and in view of his contribution to the operations, he is proposed to be re-appointed for another term of 3 years. The Board of Directors of the company has recommended the re-appointment of Mr. Sandeep Singh for a further term of 3 years w.e.f. 17.10.2023 at a monthly remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only).

In terms of Section II of Part II of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the Board of Directors and shareholders of the company.

Statement containing required information as per Part II of Section II of Schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION:

- (i) Nature of Industry: The Company is engaged into manufacturing and processing of Sugar.
- (ii) Date of commencement of commercial production: The Company was incorporated on 01.08.1991 started its commercial operations in the year 1992.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
- (iv) Financial performance based on given indicators: During the year ending March 31, 2023, the total revenue of the company is Rs. 22210.94 Lakhs and the net loss amounts to Rs. 1117.28 Lakhs.
- (v) Export performance and net foreign exchange collaborations: The Company is not into export business.
- (vi) Foreign investments or collaborators, if any: NIL

II. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details

Mr. Sandeep Singh, is a director of the company since the year 2015. He is aged 41 years and is a graduate and he has an industry experience of more than 13 years to his credit. He is a qualified professional with wide experience in the industry.

(b) Past Remuneration

Prior to the proposed re-appointment Mr. Sandeep Singh, Whole Time Director of the company was drawing a monthly remuneration of Rs. 20,000 per month. Mr. Sandeep Singh was paid an Annual remuneration of Rs. 2,40,000/- for the financial year ended on March 31, 2023.

(c) Job Profile and his Suitability

Mr. Sandeep Singh is the technical director of the company engaged to supervise and ensure smooth operations of the company's factory and regular operations therein. He has all the requisite qualifications, experience and attributes to meet the requirements and has been engaged in the operations for last several years.

(d) Remuneration Proposed:

Mr. Sandeep Singh is proposed to be re-appointed for a further term of 3 years w.e.f. 17.10.2023 and be paid a monthly remuneration of Rs. 25,000 (Rupees Twenty Five Thousand Only).

(e) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

Taking into consideration, the size of the company and the facts that the management of the company is currently with the State Government of Haryana, and the profile and experience of Mr. Sandeep Singh, the responsibilities shouldered by him, the proposed remuneration package seems to be in alignment.

(f) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Besides the remuneration proposed, Mr. Sandeep Singh has no other pecuniary relationship with the company

III. OTHER INFORMATION:

(a) Reasons of loss or inadequate profits

The company, in the past few years has been in defaults of the payment of banks and financial institutions. Being in an industry highly dependent on the agricultural produce and the farmers for the raw material, the company incurred huge liabilities in the form of guarantees given to banks on behalf of the farmers and was unable to meet the obligations. As a result of the lack of working capital and other factors taken together, the company has been in a spiral of loss making operations for the past few years. The management of the company has now been taken over by the state Government of Haryana and the management is optimistic about better operations and results in future.

(b) Steps taken or proposed to be taken for improvement

(c) The management of the company has now been taken over by the state Government of Haryana and the management is optimistic about better operations and results in future.

(d) Expected increase in productivity and profit in measurable terms.

The management of the company has now been taken over by the state Government of Haryana and the management is optimistic about better operations and results in future. However, it is not possible to make any quantitative forecast as yet.

IV. DISCLOSURES:

(a) The shareholders of the Company shall be informed of the remuneration package of the managerial person:

Details furnished in the resolution.

(b) Other Disclosures:

As per the resolution

Apart from Mr. Sandeep Singh being the appointee, none of the other Directors or their relatives are concerned or interested in the resolution.

Additional Information on Directors seeking Re-appointment at the 30th Annual General Meeting [Pursuant to Regulation 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and (SS - 2 Secretarial Standards on General Meetings)

Name of Director	Mr. Sandeep Singh
Director Identification Number (DIN)	07275838
Date of appointment	Original Appointment: 14.08.2015 Date of current re-appointment: 17.10.2023
Age	41 Years
Expertise in specific functional areas	Accountancy and finance; Business planning and strategic operations
Qualification	Graduate
Directorship in Listed Companies	Nil
Committee Membership (Other than NSML)	Nil
No. of Board Meetings of Naraingarh Sugar Mills Limited attended during FY 2022-23	Board Meetings held - 6 Board Meetings attended - 6
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Nil
Shareholding in Naraingarh Sugar Mills Limited	Nil

DIRECTORS' REPORT

To

The Shareholders of
Naraingarh Sugar Mills Limited

Your directors are pleased to present the 30th Annual report of your company along with audited annual accounts of the company for the period ended 31st March, 2023.

OPERATIONS & FINANCIAL RESULTS

(Amount in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income from operations		
Net sales/income from operations	21571.76	20613.94
Other operating Income	599.26	0.84
Other Income	39.92	728.92
Total Income	22210.94	21343.70
Total expenses (excluding Depreciation and Finance costs)	19361.43	18353.96
EBIDTA	2849.51	2989.74
Depreciation and Amortisation	995.03	1063.72
Finance costs	3362.77	3038.80
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	(1508.29)	(1112.78)
Other Comprehensive Income/(Loss)	0.00	0.31
Profit / (Loss) from ordinary activities before tax	(1508.29)	(1112.47)
Tax expense/ Deferred Tax	(391.02)	(285.64)
Net Profit / (Loss) from ordinary activities	(1117.28)	(826.83)

OPERATIONS

During the year under review, there was a dip in the company's performance due to softening in the sugar prices due to domestic surplus, increase in State Administrative Price of Sugarcane by the State Government and reduction of Co-generation tariffs.

As informed in our earlier submissions to the shareholders, due to non-payment of dues of cane growers within time the mill is being supervised by the state government. The company had no effective Board of Directors during the financial year and the operations were supervised by the State Government of Haryana.

The Audit team constituted by the state government includes one Joint Director, one Senior Auditor and two Auditors.

DIVIDEND

The Board of Directors has not recommended any dividend to be declared for the financial year 2022-23 in view of the losses suffered by the company.

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

During the financial year ended 31st March, 2023, no entity became or ceased to be the Subsidiary, Joint Venture or Associate of the Company.

TRANSFER TO RESERVES

Entire amount of Net loss of Rs. 1117.28 Lakhs for the financial year 2022-23, has been transferred to Surplus account, which appears under the head “Reserves and Surplus.” No amount has been transferred to any other reserves.

SHARE CAPITAL

The authorized share capital of the company at the end of the Financial Year 2022-23 was Rs. 30,00,00,000/- (Rupees Thirty Crores) comprising of 2,10,00,000 equity shares of Rs. 10/- each and 90,00,000 Redeemable Preference Shares of Rs. 10/- each.

The Issued, subscribed and paid-up share capital of the company comprise of 2,03,12,200 equity shares of Rs. 10/- each (including calls in arrears amounting to Rs. 1,29,41,000/-) and 21,77,251 (12%) Redeemable Non-Cumulative Preference Shares of Rs. 10/- each.

There were no changes in the share capital of the company during the financial year 2022-23. There were no instance of bonus issue, right issue, ESOP, buy back of share or issue of shares with differential voting rights during the year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and till the date of this Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in nature of business of the Company during the financial year 2022-23.

CASH FLOW STATEMENT

The Cash Flow Statement for the financial year ended 31st March, 2023 prepared in accordance with Accounting Standard -3, ‘Statement of Cash Flows’ is attached and forming part of the financial statements of the Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company laid down a framework and programme for familiarization of Independent Directors, which may be accessed on the Company's website www.naraingarhsugarmillsltd.com.

As appraised above, the company had no active Independent Directors on the Board for the first half of the financial year. The Independent Directors were induced on 28th November, 2022. Hence no familiarization programmes were conducted during the year.

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The company does not have any subsidiary, associate or joint venture company. The provisions regarding disclosure of the performance of the entities are not applicable.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Composition

As on 31.03.2023, the Board of Directors of the company comprise of the following Directors:

1. Mr. Sandeep Singh Ghuman (DIN: 07275838), Whole Time Director;
2. Mr. Manoj Kumar Das (DIN: 07693956), Independent Non Executive Director;
3. Mr. Rayappa Ramappa Hanchinal (DIN: 08138621), Independent Non Executive Director, and
4. Ms. Grupsi (DIN: 08788588), Non- Executive Independent Woman Director

The detailed section on 'Board of Directors' is given in the 'Report on Corporate Governance' forming part of the Annual Report.

During the financial year, Mr. Manoj Kumar Das and Mr. R R Hanchinal were both appointed as Additional (Independent) Director on the Board of the company w.e.f. 28.11.2022 to hold office until the 29th Annual general Meeting of the company.

At the 29th Annual General Meeting of the company held on 22nd December, 2022, the appointment of both the Additional Directors was regularized and both Mr. Manoj Kumar Das and Mr. R R Hanchinal were appointed as Independent Directors of the company for a term of 5 years each with effect from 28.11.2022.

Further, the existing tenure of Mr. Sandeep Singh as the Whole Time Director and Key Managerial Personnel of the company ended on 16.10.2023. The Board of Directors have approved the re-appointment of Mr. Sandeep Singh as a Whole Time Director of the company for another term of 3 years w.e.f. 17.10.2023, subject to the approval of the shareholders, which is proposed to be sought at the ensuing Annual General Meeting of the company.

Declaration by Independent Directors

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 the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.

Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all Directors except Independent Directors are liable to retire by rotation. Accordingly, Mr. Sandeep Singh (DIN: 07275838) Whole Time Director of the Company, liable to retire by rotation, retire from the Board by rotation this year and being eligible, has offered his candidature for re-appointment. This shall not constitute a break in his office as the Whole Time Director of the Company.

Brief Resume of the Directors being appointed/re-appointed

As required under Regulation 36 of the SEBI Listing Regulations, the brief resume of the Director being re-appointed, the nature of their expertise in specific functional areas, names of Companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding, etc. are form part of the Notice calling AGM of the Company.

DETAILS OF MANAGING BODY AND KEY MANAGERIAL PERSONNELS

The details of the managing body of the company as per the orders of the State Government of Haryana and the Key Managerial Personnel's (KMPs) in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, read with rules framed thereunder, and includes supervision by the government officials.

S. No.	Name	Designation	Date Of Appointment	Date of cessation
1.	Mr. Sandeep Singh	Whole Time Director	17.10.2015	N.A.
2.	Ms. Misha Nahal	Company Secretary	29.12.2021	18.07.2023
3.	Mr. Abhimanyu Singh	Chief Financial Officer	20.01.2022	29.11.2022
4.	Mr. Vijay Bhatia	Chief Financial Officer	19.01.2022	04.11.2022
5.	Mr. V K Singh	Unit Head	19.02.2010	--

MANAGEMENT COMMITTEE

In absence of the required Board of Directors, and due to non-payment of cane growers within time the mill is being supervised by government through a management committee.

POLICY ON REMUNERATION OF DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The remuneration paid to the Executive Directors is in accordance with the Nomination and Remuneration Policy of the company formulated in accordance with Section 134(3)(e) and Section 178(3) of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined below:

- To identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, Senior Management Personnel of the Company.
- To formulate the criteria for evaluation of performance of independent directors and the board of directors.
- To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation of the Board and to determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- To recommend to the Board on all remuneration in whatever form, payable to the Directors, KMPs and Senior Management.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.

The Nomination and Remuneration policy is available on the website of the Company at the web-link <https://www.naraingarhsugarmillsltd.com/criteria-of-making-payments-to-non-executive-directors.php>.

NUMBER OF BOARD MEETINGS AND MANAGEMENT COMMITTEE MEETINGS

During the year under review, 6 (Six) meetings of the Board of Directors was held. The details of the meetings and the attendance of Directors, inter alia other participants is given below:

S. No	Date	Number of members Entitled to attend the meeting	Number of members present in the meeting
1	22.09.2022	2	1
2	14.11.2022	2	1
3	28.11.2022	2	1
4	29.11.2022	4	3
5	21.02.2023	4	3
6	28.03.2023	4	3

Further, the management committee constituted by the State Government of Haryana, responsible for all the strategic decisions of the company also held the meetings during the financial year. Details of the dates and attendance of such management committee meetings are mentioned hereunder:

S. No	Date	Details of the Individuals attending the meetings
1	18.04.2022	Sh. Vikram Singh, Deputy Commissioner, Ambala (Chairman) Sh. Neeraj, SDM, Ambala (CEO & ED) Sh. Raghbir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary

2	16.06.2022	Smt. Saloni Sharma, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer Sh. Gaurav Kumar Sh. Sukhwinder Singh, Senior Engineer Sh. Anil Gautam, Production Manager
3	27.06.2022	Sh. Vikram Singh, Deputy Commissioner, Ambala (Chairman) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary
4	29.06.2022	Smt. Saloni Sharma, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer
5	28.07.2022	Smt. Saloni Sharma, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer Sh. Sandeep Singh, Whole Time Director Sh. Gaurav Kumar
6	02.08.2022	Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer Sh. Sandeep Singh, Whole Time Director Sh. Gaurav Kumar
7.	22.08.2022	Smt. Saloni Sharma, SDM, Ambala (CEO & ED) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer
8.	23.08.2022	Smt. Saloni Sharma, SDM, Ambala (CEO & ED) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head

		Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer
9.	05.09.2022	Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer
10.	13.09.2022	Smt. Priyanka Soni, Deputy Commissioner, Ambala (Chairperson) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary
11.	03.11.2022	Smt. Jayashradha, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. Abhimanyu Singh, Chief Financial Officer Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Vishwajeet Kajal, Purchase Officer Sh. Sandeep Singh, Whole Time Director Sh. Gaurav Kumar Sh. Sandeep Singh
12.	10.11.2022	Smt. Jayashradha, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Sandeep Singh
13.	28.11.2022	Smt. Jayashradha, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Sandeep Singh
14.	09.02.2023	Smt. Jayashradha, SDM, Ambala (CEO & ED) Sh. Raghubir Singh, Director (Finance) Sh. V K Singh, Unit head Smt. Misha Soni, Company Secretary Sh. Sandeep Singh Sh. Manoj Kumar Das, Independent Director Sh. R R Hanchinal, Independent Director

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Since the composition of the Board was deficient and there were no effective Board procedures as per Companies Act, 2013 or LODR Regulations, no such performance evaluation was carried out during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- Such accounting policies have been selected and applied consistently and the Directors have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2023 and of the Profit and Loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts of the Company have been prepared on a going concern basis;
- Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Pursuant to provisions of Section 134 (3) (m) of the Companies Act, 2013 read with rules framed thereunder, the details of activities in the nature of Energy Conservation, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as '**Annexure-2**' and forms part of this report.

PARTICULARS OF REMUNERATION OF DIRECTORS AND KMPs

The information as per Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report is attached as **Annexure-1**.

The disclosure as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this Report. That annexure is not being sent to the Members and others

entitled to this Report and the financial statements, as provided in Section 136 (1) of the Companies Act, 2013. Any member interested in obtaining a copy of the said Annexure may write to the Company Secretary at cs@nsml.in.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company has been placed on the website of the Company and can be accessed at www.naraingarhsugarmillsltd.com.

AUDITORS AND AUDITORS' REPORT

I.) STATUTORY AUDITORS

At the previous 29th AGM of the company, M/s P K Vasudeva & Co, Chartered Accountants (Firm Registration No. 000724N) were appointed as the Statutory Auditors of the company for a tenure of five years from the conclusion of the ensuing AGM to hold office up to the conclusion of AGM to be held in the year 2027. The Auditors have given their consent for appointment and have confirmed that their appointment, if made would be within the limits prescribed under the act.

The Auditors' report of the company issued by the Statutory Auditors contains certain observations and remarks. The remarks of the Auditors and the management reply thereof are provided hereunder:

Sr. No.	Comment/ remark of the Statutory Auditors	Management Reply
1.	We draw attention to Note 4.2 of the financial statements regarding contingent liabilities and commitments (including defaults in repaying term/ soft loans and guarantees) can adversely affect the financial viability of the company. Adverse decision of various adjudication authorities can further erode the working capital as well as share capital too. In spite of such serious nature, the management of the company has prepared the financial statements without acknowledging the liability and prepare it on "Going Concern Concept". However, we have not been able to corroborate the management's contention of "Going Concern". Accordingly we are unable to comment on the "Going Concern Principle" of the company.	The management of the company as of now is vested into the state government of Haryana and the best efforts are being made to regularise the affairs of the company and deal with all the defaults. The management, keeping an optimistic approach has decided to continue to follow the "Going Concern Concept" for preparation of the financial statements.
2.	We draw attention to Note 4.4 of the financial statements regarding defaults by company in repaying loans (Principal and Interest) from Banks/ Financial Institutions. An FIR dated 28.12.2021 was lodged u/s 120B, 406, 409, 420, 468 and 471 of IPC against relatives of ex-officio Directors and other officers of the	The management of the company as of now is vested into the state government of Haryana and the best efforts are being made to regularise the affairs of the company and deal with all the defaults.

	<p>company. The management of the company is also taken over by the state government. Further land measuring 64 acres in the name of the company was also attached by Hon'ble Court vide order dated 25.05.2022. These developments can adversely affect to the overall functioning of the company and may also affect the "Going Concern Concept" of the company. In spite of such serious nature, the management of the company has prepared the financial statements without acknowledging the liability and prepare it on "Going Concern Concept". However, we have not been able to corroborate the management's contention of "Going Concern". Accordingly we are unable to comment on the "Going Concern Principle" of the company.</p>	<p>The matter of FIR being subjudice is not commented upon.</p> <p>The management, keeping an optimistic approach has decided to continue to follow the "Going Concern Concept" for preparation of the financial statements.</p>
3.	<p>We draw attention to Note 4.5, 4.11 and 4.13 of the financial statements regarding party balances including balances due from Mr. Rahul Anand, who is the prime party of FIR along with other company/ firms related to him. We are unable to comment on this point, since the matter is sub judiced.</p>	<p>The matter of FIR being subjudice is not commented upon.</p> <p>As about the balances due from other parties, the financial statements reflects the amounts as per the company's accounting records.</p>
4.	<p>The provisions of Section 186 of the Companies Act, 2013 have not been complied with in respect of the guarantee given by the company.</p>	<p>The guarantee is given to the banks on behalf of the cane grower as per the industry practices.</p>
5.	<p>The company has failed to maintain adequate internal financial controls over financial reporting with reference to the financial statements as on 31st March, 2023.</p>	<p>The management of the company as of now is vested into the state government of Haryana and the best efforts are being made to regularise the affairs of the company and deal with all the defaults.</p> <p>We are trying to improve and strengthen the internal controls over the period of coming financial years.</p>

During the financial year, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

II.) SECRETARIAL AUDITORS

As required under Section 204(1) of the Companies Act, 2013 read with rules framed thereunder, the Company has appointed CS Ajay K. Arora, Practicing Company Secretary (M. No. 2191 & C.P. No. 993), to conduct the Secretarial Audit for the financial year 2022-23.

The Secretarial Audit Report submitted by CS Ajay K. Arora in the prescribed form MR- 3 is attached as '**Annexure-3**' and forms part of this Report. The Secretarial Audit report contains certain observations and adverse remarks. Such adverse remarks and the management reply thereof are enclosed with this report as '**Annexure-3A**'.

III.) COST AUDIT

As per the provisions of Section 148 read with the Cost Audit Rules, the company has appointed M/s Khushwinder Kumar & Co., Cost Accountants as the Cost Auditors of the company for the FY 2022-23.

CORPORATE GOVERNANCE

A report on corporate governance together with the Certificate from M/s. A. Arora & Co, Company Secretaries, confirming compliance with corporate governance norms as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, which also covers the state of the Company's affairs, forms a part of this report.

INTERNAL FINANCIAL CONTROL SYSTEM

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate and commensurate with the size, scale and complexity of its operation. The internal controls are tested for adequacy, efficiency and effectiveness through audits by the in- house internal audit department and the observations, corrective and preventative actions are reviewed by the management and Audit committee of the Board of Directors.

During financial year under review, no material or serious observation has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Companies Act, 2013, re-emphasizes the need for an effective Internal Financial Control System in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board Report.

To ensure effective Internal Financial Controls, the Company has laid down the following measures:-

- The Company’s books of accounts are maintained in ERP and transactions are executed through ERP setups to ensure correctness/effectiveness of all transactions, integrity and reliability of reporting.
- The Company is having in place a Risk Management framework.
- The Company is having in place a well-defined Vigil Mechanism (Whistle Blower Policy).
- Compliance of Secretarial functions is ensured by way of Secretarial Audit.
- Compliance relating to Internal Control System of the Company is ensured by way of Internal Audit.

RISK MANAGEMENT

The primary objective of risk management is to protect the Company against risks to the value of the business, its capital and its continuity. In order to achieve the objective and for better governance, the Company has adopted a Risk Management Policy. The Policy sets out key risk areas - financial risks (including risk to assets), legislative and regulatory risks, environmental risks (including natural disasters), operational risks (markets, production, technology, etc.), risks relating to employment and manpower, and individual large transactional risks.

DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any Deposits during the Financial Year 2022-23 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place ‘Policy for Prevention and Redressal of Sexual Harassment’ in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred “as the said act”) and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee (‘ICC’) at the Registered Office, Works to deal with the Complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report on the details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:-

Sr. No.	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
-NIL-			

DEPOSITORY SYSTEMS

The Company has established connectivity with both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has appointed M/s Alankit Assignments Limited, its Registrar and Share Transfer Agent across physical and electronic alternative.

PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of loans, guarantees, investments and securities provided by the company as on March 31, 2023 have been provided in the Financial Statements which forms part of the Annual Report. During the financial year 2022-23, the company has not given any loans or extended any guarantee or security to any other entity, in terms of the provisions of section 186 of the Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

The company did not enter into any related party transactions as per the provisions of Companies Act, 2013 and the LODR Regulations.

The Company has formulated a policy on dealing with related party transactions which is posted on the website of the Company at the web link <https://www.naraingarhsugarmillsltd.com/policy-on-dealing-with-related-party-transactions.php>.

DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has in place a Vigil Mechanism/ Whistle Blower Policy, in terms of provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its powers) Rules, 2014. The Company's personnel have direct access to Mr. Sandeep Singh, Whole-Time Director, nominated by the Board of Directors of the company to play the role of the Audit to report concerns about unethical behavior (actual or suspected), frauds and other grievances. No personnel of the Company have been denied access to the said Director. Adequate safeguards are being provided against victimization of whistle blowers availing of such mechanism.

Whistle Blower Policy of the Company is posted on the website of the Company at the web-link: <https://www.naraingarhsugarmillsltd.com/details-of-establishment-of-vigil-mechanism-whistle-blower-policy.php>.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

There are three cases registered against the Naraingarh Sugar Mills Limited by Union bank of India and IREDA and Haryana Co-Operative Bank in NCLT Chandigarh for which the orders are still pending.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards - 1 and Secretarial Standards - 2 issued by the Institute of Company Secretaries of India and approved by the Central Government.

INDUSTRIAL RELATIONS

Industrial relations and work atmosphere remained cordial throughout the year with sustained communication and engagement with workforce through various forums.

SAFETY, HEALTH AND ENVIRONMENT

The Company continues to demonstrate strong commitment to safety, health and environment which have been adopted as core organizational values. The Company assures safety and facilities in accordance with statutory and regulatory requirements. Employees are continuously made aware of hazards/ risks associated with their job and their knowledge and skills are updated through requisite training to meet any emergency. Medical and occupational check-ups of employees and eco-friendly activities are promoted. The Company does not produce any kind of hazardous waste.

TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

During the FY 2022-23, there is no such amount with respect to Unclaimed Dividend, which is required to be transferred to Investor Education and Protection Fund (IEPF)

TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account').

During FY 2022-23, there were no shares which are required to be transferred to IEPF Account.

GENERAL DISCLOSURE

During the year under review:

- The Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise, pursuant to the provisions of Section 43 of Companies Act, 2013 and Rules made thereunder.
- The Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- The Company has not bought back its shares, pursuant to the provisions of Section 68 of Companies Act, 2013 and Rules made thereunder.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the company during the financial year 2022-23.

SUM DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

As on March 31, 2023 a sum of Rs. 23.58 Lakhs was payable towards Principal amount and the interest due thereon remaining unpaid to MSME supplier.

ACKNOWLEDGEMENT

Employee relations throughout the Company were harmonious. The Board wishes to place on record its appreciation to all employees in the Company, for their sustained efforts and immense contribution to the good levels of performance and growth that the Company has achieved during the financial year under review.

Your Directors also place on record their sincere thanks and appreciation for the continuing support and assistance received from the financial institutions, banks, Government as well as non- government authorities, customers, vendors, and members during the financial year under review.

Date: 23.10.2023

Place: Naraingarh

By the order of Board of Directors
Naraingarh Sugar Mills Limited

SANDEEP SINGH GHUMAN
Chairman & Whole Time Director
DIN: 07275838

Annexure -2 to Director's Report

Disclosure of Particulars in respect of conservation of energy and technology

A. Conservation of energy

- (a) The company has installed most modern equipment in the plant in order to minimize energy consumption.
- (b) The company does not allow wastage of energy and resources.
- (c) Every department has been given different electric connections which are used only at the time of need. In the absence of staff all the electrical appliance are put off.

<u>Power and Fuel Consumption</u>			
1	Electricity:	Current Year (2022-23)	Previous Year (2021-22)
a)	Purchased Unit (Nos.)	Nil	Nil
b)	Amount (Rs.)	Nil	Nil
c)	Rate per unit (Rs.)	Nil	Nil
	Own Generation		
	i) Through Diesel Gen. Set		
	Unit (Nos.)	7759	7684.1
	Unit per liter of Diesel oil	2.59	2.73
	Diesel rate per unit (Rs.) @ 90.37	34.89	35.95
	ii) Through Steam Turbine		
	Generation unit	53008840.1	49467099.6
	Unit per Tonn of fuel	390.35	379.76
	Rate/Unit	5.50 & 5.45	6.72 & 6.90
	(Being Generated out of Steam required for process)		
2	Bagasse Quantity		
	(Quantity M.T.)	135799.2	130260.3
	Total Cost (Rs. In lacs)	4073.98	3360.72
	(Estimated due to own generation)		
	Average Rate (Rs.)	3000	2580
3	Consumption per unit of Product		
	Electricity (KW/MT)	259.48	264.09
	Bagasse (MT/MT)	2.612	2.597

B. TECHNOLOGY ABSORPTION

- 1) The company is regularly carrying on activities of development of sugarcane in the area.
- 2) Agricultural implements, fertilizers, pesticides and cane seeds are supplied to the cane growers on loan basis and at subsidized rates.
- 3) Expenditure incurred on R & D – Nil
- 4) Total Expenditure as %age of Turnover – Nil
- 5) Technology absorption, adoption and innovation.
 - (a) The company has adopted latest technology in the plant to maximize production, yield, better quality and to minimize consumption of energy.
 - (b) Technology imported during last five years – Nil

C. FOREIGN EXCHANGE EARNING AND OUTGO

The company has not done any transactions in foreign exchange.

Date: 23.10.2023

Place: Naraingarh

By the order of Board of Directors
Naraingarh Sugar Mills Limited

SANDEEP SINGH GHUMAN
Chairman & Whole Time Director
DIN: 07275838

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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,
Naraingarh Sugar Mills Limited,
Village: Banondi, Tehsil: Naraingarh,
Ambala, Haryana.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NARAINGARH SUGAR MILLS LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the NARAINGARH SUGAR MILLS LIMITED’S books, papers, forms, and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder, except to the extent of events of non-compliances as listed in this report, and also that the Company has no proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, forms and returns filed and other records maintained by NARAINGARH SUGAR MILLS LIMITED (“the Company”) for the financial year ended on March 31, 2023 under the provisions of below mentioned regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021- Not Applicable to the company during the financial year under review.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.

- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
- f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Government of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, being listed on BSE Limited. (The trading of the company's shares stands suspended on BSE Limited for last several years and the company's online portal on BSE has been deactivated. Hence, very few of the periodical submissions to the stock exchange are made through e-mails to BSE instead of uploading on the portal).

During the period under review the Company has generally complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above except to the extent of events of non- compliances as listed in this report.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is constituted with one Executive Director and Non-Executive Independent Directors.

As informed by the management, the company has re-appointed Ms. Sandeep Singh as the Whole Time Director for another term of 3 years w.e.f. 17.10.2020. The company being in default of repayment of loans from financial institutions during the said financial year, is yet to obtain the approval/ consent of such financial institutions for the said re-appointment and payment of remuneration of the whole-time director as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

Ms. Grupsi (DIN: 08788588) represented as one of the Independent Directors of the company has not attended any meetings of the Board/ Management Committee since the previous year. Accordingly, she was liable to vacate the office of Director in terms of Section 167 (1)(b) of the companies Act, 2013. Neither the company nor the Director has taken any measure to affect the vacation of office. However, in view of the contraventions stated here, the company effectively had no woman director on the Board during the year. Further, the Director Identification Number (DIN) of Ms. Grupsi is deactivated due to non-filing of KYC. Consequently, the composition of the Board of Directors was deficient and not in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year, the operations and management of the company were being supervised by the State Government of Haryana. Consequently, the operations were run through a

Management Committee constituted by the State Government of Haryana in collaboration with and through the Board of Directors of the company.

The company is yet to file the necessary returns for changes in the composition of the Board of Directors with the Registrar of Companies.

2. As per the representation made by the management, notice is given to all directors, including the ex-officio directors, to schedule the Meetings, agenda and notes on agenda were sent.

However, no documentary evidences of circulation of these documents in compliance with the Secretarial Standards has been maintained by the company. Moreover, no signed minutes of attendance records were available for inspection in respect of the said meetings. Further, the composition of the Board being in default for a major part of the year, the Board meetings were not duly held in terms of presence of quorum.

3. All decisions are carried out through majority and as per the directions of the state government of Haryana.
4. The company has no proper board processes on account of deficient composition of the Board and the takeover of the operations and the management of the company by State Government of Haryana and composition of a committee vide its order dated 07.01.2020.

I further report that during the audit period:

1. *The official website as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not yet updated for all the prescribed contents and there are several irregularities in compliance with the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including but not limited to approval of the periodical financial results and allied periodic filings and submissions with the Stock Exchange. The company has not yet paid the outstanding listing and custodian fees. Also, the entire shareholding of the promoters of the company is not yet dematerialized.*
2. *On account of the deficient composition of the Board of Directors of the company, the statutory and regulatory committee as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were constituted only during the last quarter of the audit period and the composition of the committee was not entirely in compliance with the applicable regulations.*
3. *The company has not filed the certain returns/ forms pertaining to changes in composition of Board, MSME Returns, Report on AGM, and Forms MGT-14 for several resolutions passed by the Board of Directors and shareholders during the audit period, with the office of Registrar of Companies as per the requirements of Companies Act, 2013.*
4. *During the Audit period, no meetings of the Board of Directors was held prior to the month of September, 2022. Further, the provisions regarding the minimum number of the meetings for statutory committees and the Independent Director is not complied with.*
5. *The company has not appointed an Internal Auditor as per the requirements of Section 138 of the Companies Act, 2013 for the audit period.*

6. *The company has calls in arrears on the equity shares, due from public shareholders which has been overdue for over 25 years. Further, the Redeemable Preference Shares as appearing in the financial statements were due for redemption in the FY 2010-11. The company has still not redeemed the preference shares.*
7. *The trading of the company's shares stands suspended on BSE Limited for last several years. On account of the suspended trading, the company has not been able to comply with the requirement of these regulations pertaining to closure of trading window or monitoring the dissemination of Unpublished Price Sensitive Information etc.*
8. *The company has created a charge in favour of The Ambala Central Co-operative Bank for an aggregate amount of loans outstanding as on 31.03.2021 against the company. In respect of the charge so created, it is informed that not all the assets/ properties covered under the Master Loan agreement were charged as per the return. Only those properties/ assets which were under mutation of the charge holders were given in the form and the properties/ assets under litigation were excluded.*

Apart from the business stated above, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place: Chandigarh

Date: 23.10.2023

UDIN: F002191E001424645

For A. ARORA & COMPANY

AJAY K. ARORA

(Proprietor)

FCS No. 2191

C P No.: 993

Peer review Certificate No. 2120/2022

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

To,
The Members,
Naraingarh Sugar Mills Limited,
Village: Banondi, Tehsil: Naraingarh,
Ambala, Haryana.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chandigarh

Date: 23.10.2023

UDIN: F002191E001424645

For **A. ARORA & COMPANY**

AJAY K. ARORA

(Proprietor)

FCS No. 2191

C P No.: 993

Peer review Certificate No. 2120/2022

Annexure- 3A

Sr. No.	Observation of Secretarial Auditor	Management reply
1.	The trading of the company's shares stands suspended on BSE Limited for last several years. On account of the suspended trading, the company has not been able to comply with the requirement of these regulations pertaining to closure of trading window or monitoring the dissemination of Unpublished Price Sensitive Information etc.	The trading of the company's shares was suspended on account of non payment of listing fee and other regulatory reasons. The company was earlier making efforts to revive the listing status of the company. However, considering the cost involved for relisting and the severe paucity of funds in the company, alternative course of action is being explored.
2.	The trading of the company's shares stands suspended on BSE Limited for last several years and the company's online portal on BSE has been deactivated. Hence, very few of the periodical submissions to the stock exchange are made through e-mails to BSE instead of uploading on the portal	The trading of the company's shares was suspended on account of non payment of listing fee and other regulatory reasons. The company was earlier making efforts to revive the listing status of the company. However, considering the cost involved for relisting and the severe paucity of funds in the company, alternative course of action is being explored.
3.	<p>As informed by the management, the company has re-appointed Ms. Sandeep Singh as the Whole Time Director for another term of 3 years w.e.f. 17.10.2020. The company being in default of repayment of loans from financial institutions during the financial year, is yet to obtain the approval/ consent of such financial institutions for the said re-appointment and payment of remuneration of the whole-time director as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013.</p> <p>Ms. Grupsi (DIN: 08788588) represented as one of the Independent Directors of the company has not attended any meetings of the Board/ Management Committee since the previous year. Accordingly, she was liable to vacate the office of Director in terms of Section 167 (1)(b) of the companies Act, 2013. Neither the company nor the Director has taken any measure to affect the vacation of office. However, in view of the contraventions stated here, the company effectively had no woman director on the Board during the year. Further, the Director</p>	<p>The company is being managed exclusively by the Management Committee constituted by the State Government of Haryana vide its order dated 07.01.2020. The appointments to the key positions is approved by the management Committee only. The company has obtained the necessary approvals for the said re-appointment and payment of remuneration through Management Committee. However, the specific No Objections/ approvals under Section 197 of the Companies Act, 2013 is being obtained on record from the financial institution.</p> <p>Ms. Grupsi was earlier appointed as an Independent Director of the company for a term of 5 years. However, during the financial year and the year before, she has been entirely unresponsive to the company's affairs and has not been attending any meetings. Further, she has not even served her resignation.</p> <p>The company is in the process of the ensuring the necessary compliances as</p>

	<p>Identification Number (DIN) of Ms. Grupsi is deactivated due to non-filing of KYC. Consequently, the composition of the Board of Directors was deficient and not in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>During the financial year, the operations and management of the company were being supervised by the State Government of Haryana. Consequently, the operations were run through a Management Committee constituted by the State Government of Haryana in collaboration with and through the Board of Directors of the company.</p> <p>The company is yet to file the necessary returns for changes in the composition of the Board of Directors with the Registrar of Companies.</p>	<p>required with regard to corrections in the composition of the Board of directors as per the applicable regulations.</p> <p>The company is in the process of ensuring that the necessary compliance in respect of the DIN of all directors and other regulatory registrations to be updated in due course.</p> <p>The company is in the process of filing the necessary returns at the earliest.</p>
4.	<p>As per the representation made by the management, notice is given to all directors, including the ex-officio directors, to schedule the Meetings, agenda and notes on agenda were sent.</p> <p>However, no documentary evidences of circulation of these documents in compliance with the Secretarial Standards has been maintained by the company. Moreover, no signed minutes of attendance records were available for inspection in respect of the said meetings. Further, the composition of the Board being in default for a major part of the year, the Board meetings were not duly held in terms of presence of quorum.</p>	<p>The company is being managed exclusively by the Management Committee constituted by the State Government of Haryana vide its order dated 07.01.2020.</p> <p>The necessary meetings are called and held as per the directions of the state government, which is attended by officials other than the Directors.</p>
5.	<p>The company has no proper board processes on account of deficient composition of the Board and the takeover of the operations and the management of the company by State Government of Haryana and composition of a committee vide its order dated 07.01.2020.</p>	<p>The company is being managed exclusively by the Management Committee constituted by the State Government of Haryana vide its order dated 07.01.2020.</p>
6.	<p>The official website as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not yet updated for all the prescribed contents and there are several irregularities in compliance with the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including but not limited to approval of the</p>	<p>The company is facing severe liquidity crisis and is not able to meet all its expenses. The company has established a functional website which will be updated shortly.</p>

	<p>periodical financial results and allied periodic filings and submissions with the Stock Exchange.</p> <p>The company has not yet paid the outstanding listing and custodian fees.</p> <p>Also, the entire shareholding of the promoters of the company is not yet dematerialized.</p>	<p>The company is facing severe liquidity crisis and is not able to meet all its expenses.</p> <p>The promoters have been requested to take immediate measures for dematerialization of the shares held by them.</p>
7.	<p>On account of the deficient composition of the Board of Directors of the company, the statutory and regulatory committee as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were constituted only during the last quarter of the audit period and the composition of the committee was not entirely in compliance with the applicable regulations.</p>	<p>The company has been trying to comply entirely with the applicable regulations since the appointment of the Independent Directors. The committees has since been constituted and periodical meetings are also being held.</p>
8.	<p>The company has not filed the certain returns/ forms pertaining to changes in composition of Board, MSME Returns, Report on AGM, and Forms MGT-14 for several resolutions passed by the Board of Directors and shareholders during the audit period, with the office of Registrar of Companies as per the requirements of Companies Act, 2013.</p>	<p>Due to the change in the compliance officer recently, the returns could not be filed. The company is in the process of filing the necessary returns at the earliest.</p>
9.	<p>During the Audit period, no meetings of the Board of Directors were held prior to the month of September, 2022. Further, the provisions regarding the minimum number of the meetings for statutory committees and the Independent Director are not complied with.</p>	<p>The company has been trying to comply entirely with the applicable regulations since the appointment of the Independent Directors. The committees have since been constituted and periodical meetings are also being held.</p>
10.	<p>The company has not appointed an Internal Auditor as per the requirements of Section 138 of the Companies Act, 2013 for the audit period.</p>	<p>The company has since identified a suitable firm and appointed Internal Auditors for the FY 2023-24.</p>

11.	<p>The company has calls in arrears on the equity shares, due from public shareholders which has been overdue for over 25 years.</p> <p>Further, the Redeemable Preference Shares as appearing in the financial statements were due for redemption in the FY 2010-11. The company has still not redeemed the preference shares.</p>	<p>Being under the supervision of the state Government, with the priority to streamline the affairs of the company, the management has not yet taken a decision regarding the calls in arrears.</p> <p>The company is facing severe liquidity crisis and is not in a position to meet such big financial obligation as of now.</p>
12.	<p>The company has created a charge in favour of The Ambala Central Co-operative Bank for an aggregate amount of loans outstanding as on 31.03.2021 against the company. In respect of the charge so created, it is informed that not all the assets/ properties covered under the Master Loan agreement were charged as per the return. Only those properties/ assets which were under mutation of the charge holders were given in the form and the properties/ assets under litigation were excluded.</p>	<p>The charge has been filed as per the guidance and instructions of the State Government of Haryana, who has now taken over the control of the company.</p>

Date: 23.10.2023
Place: Naraingarh

By the order of Board of Directors
Naraingarh Sugar Mills Limited

SANDEEP SINGH GHUMAN
Chairman & Whole Time Director
DIN: 07275838

MANAGEMENT DISCUSSION & ANALYSIS

SUGAR INDUSTRY- SCENARIO IN INDIA

According to AISTA (All India Sugar Traders Association) in the year 2022-23 the sugar production increased by about 2.9% with estimated production of 31.9 million tones.

India is the world's second largest producer of sugar after Brazil with estimated production of 31.9 million tones plus opening stock of 8.3 million tones with the mills. The total availability of sugar in the country is expected to be 40.2 million tones which is slightly lower than previous year.

GOVERNMENT POLICIES FOR SUGAR INDUSTRY

The Central Government came out with a slew of corrective measures and supportive mechanisms during the year 2018-19, providing much needed support to the sugar industry reeling under pressure to be rescued from the mounting cane arrears and the high debt burden. Most of these measures continued during 2022-23 as the Government continued to cap the quantity of sugar, which mills in the country could sell and at a minimum selling price. These measures stabilized sugar price in the country with greater degree of transparency, discipline and accountability. Some of the important policy directions issued pertaining to the sugar industry are as follows:

SOFT LOAN BY CENTRAL GOVERNMENT

On March 02, 2019, the Central Government announced a scheme of soft loan of Rs. 10,540 Crore with interest subvention of 7% on actual rate of interest charged by bank, for a period of one year. The Government also provided that all loans sanctioned & disbursed by May 31, 2019 would be covered by the scheme. As regard to us, we have not received any Soft Loan/Financial Assistance from Central Government.

OVERVIEW- SUGARCANE

The sugar season 2021-22 started with record opening stocks of 8.3 MT. This led to crash in sugar prices leading to a liquidity crisis for sugar mills which in turn resulted in the accumulation of huge cane dues. In order to support the industry and cane farmers, various measures were taken both by the Central Government in the form of soft loans, cane production subsidy, transport subsidy on sugar exports, fixing of minimum sugar price (MSP) and interest subvention for setting up of ethanol capacities and the State governments in the form of soft loans and cane subsidies which provided some respite to the sugar industry.

Despite the various policies and incentives by the Government, unless the surplus stock is cleared from the country, the scenario may not undergo any significant change. It is expected that the pressure on the sugar price would continue to remain given the over-supply scenario. To cope with this problem, the Central Government also allowed export of some sugar and blending of ethanol has been allowed to be increased to 20% by the year 2023.

COMPANY STRUCTURE AND DEVELOPMENT

The Company is located at Village Banondi, PO: Shahzadpur, Teh. Naraingarh, Distt. Ambala, Haryana. The plant started with an initial crushing capacity of 2500 tons of cane crushed per day (TCD), which has been gradually increased to 4000 TCD. The Company has one of the most modern and efficient sugar factories in the country.

OPERATIONAL PERFORMANCE

The crushing for the season 2022-23 started on November 15, 2022 and cane crushed during season 2022-23 was 48.421 Lac Qtls as compared to 46.256 Lac Qtls in the last season.

Particulars	Unit	Sugar Season		
		2022-23	2021-22	2020-21
Cane Crush	Lacs Qtls	48.421	46.256	49.787
Recovery	%	10.68	10.58	10.93
Sugar Production	Lacs Qtls	5.172	4.893	5.441

FINANCIAL PERFORMANCE

(Amount in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income from operations		
Net sales/income from operations	21571.76	20613.94
Other operating Income	599.26	0.84
Other Income	39.92	728.92
Total Income	22210.94	21343.70
Total expenses (excluding Depreciation and Finance costs)		
EBIDTA	19361.43	18353.96
Depreciation and Amortisation	2849.51	2989.74
Finance costs	995.03	1063.72
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	3362.77	3038.80
Other Comprehensive Income/(Loss)	(1508.29)	(1112.78)
Profit / (Loss) from ordinary activities before tax	0.00	0.31
Tax expense/ Deferred Tax	(1508.29)	(1112.47)
Net Profit / (Loss) from ordinary activities	(391.02)	(285.64)

RISK AND CONCERNS-SWOT

Analysis Strengths

- Located close to sugarcane rich belt of Western UP with high sucrose varieties of cane.
- The Company has continued its focus on cane quality promotion and is continually investing in cane variety development. The same are also visible in form of increased availability of high yield variety of cane and higher Sugar recovery.

Weaknesses

- The State Government decides sugarcane prices in a manner that is not linked to sugar prices. Unviable sugarcane prices may impact the profitability of the Company.
- High Cane arrears due to low sugar prices.
- Risk of coercive measures by the State Government on account of huge cane arrears.

Opportunities

- Higher recovery, Higher rates of by-products of Sugar.
- Government support towards production of Ethanol.

Threats

- Due to domestic surplus, there could be a softening in the sugar prices affecting the profitability.
- Increase in State Administrative Price of Sugarcane by the State Government.
- Reduction of Co-generation tariffs.

FUTURE OUTLOOK

The sugar industry will be a major player in producing cost effective energy and fuel from its by-products bagasse and molasses. Bagasse can be processed for co-generation of power, ethanol produced from molasses can be used for blending with petrol for motor fuel.

INTERNAL CONTROLS AND SYSTEMS

Your company has in place an adequate internal control system in order to ensure that all transactions are authorized, recorded and reported correctly and that all assets are protected against the perils of unauthorized use or disposition. Towards enhancing the efficiency of internal controls, services of consultants are hired wherever necessary, and their suggestions are reviewed and implemented. The Audit Committee of the board also meets periodically to review the internal controls, internal audit findings, action taken reports and to advise the management on corrective policies, if any.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company considers human capital as a critical asset and success factor for smooth organizational work flow. Efforts are made to improve skills, knowledge and performance of employees by timely training, job satisfaction and enrichment. The Company has added to its fold, experienced manpower in line with future areas of growth.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis Report contains “forward looking statements” within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company’s strategy for growth, market position, expenditures and financial results are forward looking statements. The

Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

Date: 23.10.2023
Place: Naraingarh

By the order of Board of Directors
Naraingarh Sugar Mills Limited

SANDEEP SINGH GHUMAN
Chairman & Whole Time Director
DIN: 07275838

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At NSML, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Conduct is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors ('the Board'), under the supervision of the Management Committee constituted by the State Government of Haryana are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

BOARD OF DIRECTORS

SIZE AND COMPOSITION OF BOARD

The present policy of NSML regarding size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with Woman Director which clearly demarcate the functions of governance and management.

As on 31st March, 2023, the Board comprises of 4 (Four) members, 1 (One) of which is Independent Non-Executive Woman Director, 2 (Two) Independent Non Executive Directors and remaining 1 (One) is an Executive Director.

The composition of the Board is not in conformity with Regulation 17 of the SEBI Listing Regulations as well as the Companies Act, 2013 read with the rules issued thereunder. As detailed in the Directors' report above, an audit team was constituted by the Finance Department of the State Government of Haryana because of inadequate composition of the Board of Directors of the company.

ROTATION/REAPPOINTMENT OF DIRECTORS

Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and the Articles of Association of the Company all Directors except Independent Directors are liable to retire by rotation. Accordingly, Mr. Sandeep Singh, Whole Time Director of the Company, retire from the Board by rotation this year and being eligible, has offered his candidature for re-appointment. This shall not constitute a break in his office as the Whole Time Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

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 the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.

The changes in the composition of the Board that occurred during the year have been stated in the Directors' report for the FY 2022-23 which forms a part of this Annual report.

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all Directors except Independent Directors are liable to retire by rotation. The Independent Directors of Company holds office for 5 (Five) consecutive years.

DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIP(S) AND COMMITTEE MEMBERSHIP(S)

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Director is a member of more than 10 (Ten) Board level Committees or Chairman of more than 5 (Five) Committees across all listed companies in which he/she is a Director. Directors' attendance at the Board Meetings during the financial year and the last AGM and also their Directorships and Memberships in other committees is given below:

Composition of the Board, Attendance Record, Directorships and Committee Membership for the Financial Year 2022-23:

Brief Information about Directors		Attendance record during Financial Year 2022-23			Directorship/Membership/Chairmanship as on 31st March, 2023		
Name and category of the Directors	Directors Identification Number (DIN)	Number of Board Meeting held and attended		Attendance at the last AGM	Number of Directorships in all Companies** as on 31st March, 2023	Number of Committee Positions held in all Companies*** as on 31st March, 2023	
		Held	Attended			Chairman	Member
Mr. Sandeep Singh, Executive Professional Director	07275838	6	6	Yes	1	0	3
Ms. Grupsi, Non-Executive Independent	08788588	6	0	No	1	0	0

Director (Woman Director)							
Mr. Rayappa Ramappa Hanchinal, Non Executive Independent Director	08138621	3	3	Yes	3 Kaveri Seeds Company Ltd; Mahindra HZPC Private Limited; and Naraingarh Sugar Mills Limited	2	1
Mr. Manoj Kumar Das, Non Executive Independent Director	07693956	3	3	Yes	5 GNRC Limited; Naraingarh Sugar Mills Limited; Prayuktivation Private Limited; Lokoratnagarb haa Dr Dolly Das Folk Culture Foundation North Eastern Regional Agricultural Marketing Corpn Ltd	1	2

**This includes Directorships in all Companies (Listed, Unlisted Public and Private Limited Companies incorporated in India) including Naraingarh Sugar Mills Limited.

*** For the purpose of considering the limit of the committees on which a Director can serve, all public limited companies, whether listed or not, including Naraingarh Sugar Mills Limited is considered

LIMIT ON THE NUMBER OF DIRECTORSHIPS

Pursuant to the provisions of Section 165 of the Companies Act, 2013, no person shall hold the office as a Director, including any directorship in more than twenty companies at the same time, provided that the maximum number of Public Companies in which a person can be appointed as a Director shall not exceed ten.

In compliance with Regulation 25 of the SEBI Listing Regulations, the Independent Director on the Board of the Company does not serve as an Independent Directors in more than 7 (Seven) Listed Companies and in case he/she is serving as a Whole Time Director in any Listed Company, does not hold position as an Independent Director in more than 3 (Three) Listed Companies.

Also as required under Regulation 17A of the amended SEBI Listing Regulations, 2015, the Board Members of the Company does not serve as a Director in more than 8 (eight) listed entities and in case he/she is serving as Independent Director on the Board of the Company, does not hold position as an Independent Director in more than 7 (Seven) Listed Companies and in case he/she is serving as a Whole Time/Managing Director in any Listed Company, does not hold position as an Independent Director in more than 3 (Three) Listed Companies.

Accordingly, all Directors are in compliance with the above mentioned provisions of Companies Act, 2013 and SEBI Listing Regulations.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

Pursuant the provisions of Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company has been fixed for a period of 5 (Five) consecutive years commencing from the date of their respective appointments.

FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

- a. In accordance with the provisions of SEBI Listing Regulations read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment to all the Independent Directors.
- b. The terms and conditions of Appointment of Independent Directors has been disseminated on the Company's website at www.naraingarhsugarmillsltd.com

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee earlier laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board Members, including Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the Directors being evaluated.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

As apprised above, the company appointed Independent Directors only in the last quarter of the FY 2022-23. Hence no such meeting could be held as per Schedule IV of the Companies Act, 2013 and no Familiarization programmes could be conducted.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company laid down a framework and programme for familiarization of Independent Directors, which may be accessed on the Company's website www.naraingarhsugarmillsltd.com.

As appraised above, the company appointed Independent Directors only in the last quarter of the FY 2022-23. Hence no such meeting Familiarization programmes could be conducted.

BOARD MEMBERSHIP CRITERIA AND LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED IN THE CONTEXT OF THE BUSINESS

The Board of Directors is collectively responsible for selection of a Member on the Board. The Board of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non - Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of relevance to the Company;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the Company’s values, such as integrity, honesty, transparency, pioneering mindset;

In terms of requirement of Schedule V of SEBI Listing Regulations, the Board has identified the following core skills/expertise/ competencies of the Directors in the context of the Company’s business for effective functioning as given below:

Skills and its description	Mr. Sandeep Singh	Ms. Grupsi	Mr. Manoj Kumar Das	Mr. R R Hanchinal
Experience in leading well-governed organizations*			✓	✓
Experience of crafting Business Strategies**	✓	✓	✓	✓
Finance and Accounting Experience***	✓			
Experience of large Companies and understanding of the changing regulatory landscape****			✓	✓

- * **Experience in leading well-governed organizations** – Experience in leading well-governed organizations, with an understanding of organizational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance.
- ** **Experience of crafting Business Strategies** - Experience in developing long-term strategies to grow consumer/ Rice business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.
- *** **Finance and Accounting Experience** - Leadership experience in handling financial management of a well-governed organization along with good understanding of accounting and financial statements.
- **** **Experience of large Companies and understanding of the changing regulatory landscape** - Experience of having served in large public companies in diverse industries to provide Board oversight to all dimensions of business and Board accountability, high governance standards with an understanding of changing regulatory framework.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

The Non-Executive Directors of the Company neither holds any Equity Shares. Further the Company is not having any convertible instruments.

ROLES AND RESPONSIBILITIES OF THE BOARD

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the Company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholders value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils Stakeholders aspirations and societal expectations.

- **Disclosure of Information**

- Members of Board of Directors and Key Managerial Personnel shall disclose to the Board of Directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.
- The Board of Directors and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

- **Key functions of the Board**

- The Board reviews and guides Corporate Strategy, Major Plans of Action, Key policies, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance; and Overseeing Major Capital Expenditures, Acquisitions and Divestments.
- Board monitors the effectiveness of the Company’s governance practices and making changes as needed.

- Selects, Compensates, Monitors and when necessary, replaces key executives and overseeing succession planning.
 - Ensures a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
 - Monitors and manages potential conflicts of interest of Management, Board Members and Shareholders, including misuse of corporate assets and abuse of Related Party Transactions.
 - Ensures the integrity of the Company's accounting and financial reporting systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.
 - Oversees the process of disclosure and communications.
 - Monitors Board evaluation framework.
 - Aligned Key Managerial Personnel and remuneration of Board of Directors with the longer term interests of the Company and its Shareholders.
 - Company has well established Committees of the Board of Directors, and their mandate, composition and working procedures have been well defined.
- **Role of Independent Directors**

Independent Directors have emerged as the cornerstones of the worldwide Corporate Governance movement. Their increased presence in the boardroom has been hailed as an effective deterrent to fraud and mismanagement, inefficient use of resources, inequality and unaccountability of decisions and as a harbinger for striking the right balance between individual, economic and social interests.

INTER-SE RELATIONSHIP AMONGST DIRECTORS

None of the directors of the company are related to each other inter-se.

BOARD MEETINGS AND PROCEDURES

A. BOARD MEETINGS

Company's Corporate Governance requires the Board to meet at least four times in a year. The maximum gap between two Board Meetings should not be more than 120 (One hundred and twenty) days as prescribed under Regulation 17 of the SEBI Listing Regulations. Additional Board Meetings may be convened to address the specific needs of the Company. In case of business exigencies or matters of urgency, the Board may also approve resolutions by Circulation as permitted under Companies Act, 2013.

B. BOARD PROCEDURE

The meeting of Board of Directors and Committees of Board of Directors are governed with the structured agenda. The Agenda is prepared in consultation with the Chairman of the Board/Committees of Board and other Board/Committee Members. The Agenda for the Meetings of the Board/Committees of Board together with the appropriate supporting documents are circulated well in

advance to all the Board/Committee members. Detailed presentations are also made to the Board/Committee Members covering operations, Business Performance, Finance, Sales, Marketing, Domestic Business Environment and related details. All necessary information including but not limited to those as mentioned in Part-A Schedule II of the SEBI Listing Regulations are placed before the Board/Committee Members to enable it to discharge its responsibility for the strategic supervision of the Company. The Board/Committee Members also reviews periodical compliances of all laws, rules and regulations. At the Board/Committees Meeting, the members have full freedom to express their opinion and decisions are taken after detailed deliberations. Members of the Senior Management team are also invited to attend the Board/Committees Meetings as and when required, which provides additional inputs to the items being discussed by the Board/Committees Meetings.

C. DETAILS OF BOARD MEETINGS HELD AND ATTENDED BY THE DIRECTORS DURING FINANCIAL YEAR 2022-23:

S.No.	Date of Board Meetings	Board Strength	Number of Directors Present	% of attendance
1.	22.09.2022	2	1	50.00
2.	14.11.2022	2	1	50.00
3.	28.11.2022	2	1	50.00
4.	29.11.2022	4	3	75.00
5.	21.02.2023	4	3	75.00
6.	28.03.2023	4	3	75.00

D. SHAREHOLDING OF DIRECTORS

None of the directors of the company holds any shares in the company as on 31.03.2023.

COMMITTEES OF THE BOARD

The details of the managing body of the company the Key Managerial Personnel's (KMPs) in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, read with rules framed thereunder, are as follows:-

S. No.	Name	Designation	Date Of Appointment	Date of cessation
1.	Mr. Sandeep Singh	Whole Time Director	17.10.2015	N.A.
2.	Ms. Misha Nahal	Company Secretary	29.12.2021	18.07.2023
3.	Mr. Abhimanyu Singh	Chief Financial Officer	19.01.2022	04.11.2022
4.	Mr. Vijay Bhatia	Chief Financial Officer	14.11.2022	N.A.
5.	Mr. V K Singh	Unit Head	19.02.2010	--

MANAGEMENT COMMITTEE

In absence of the required Board of Directors, and due to non-payment of cane growers within time the mill is being supervised by government.

STATUTORY AND REGULATORY COMMITTEES:

AUDIT COMMITTEE

As on 31 March 2023, the Audit Committee comprises of following Members:

Name	Designation	Category
Mr. Manoj Kumar Das	Chairman	Independent Non-Executive Director
Mr. R R Hanchinal	Member	Independent Non-Executive Director
Mr. Sandeep Signh	Member	Executive Director
Mr. Vijat Bhatia	Member	Chief Financial Officer

The Members of Audit Committee of the Company have good knowledge of Finance, Accounts and Business Management. The Chairman of the Committee, Mr. Manoj Kumar Das, has considerable accounting and related Financial Expertise. The Statutory Auditors and the Internal Auditors of the Company attend the meetings of the Committee on the invitation of the Chairman. The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

During the financial year 2022-23, no meetings of Audit Committee were held.

NOMINATION AND REMUNERATION COMMITTEE

As on 31 March 2023, the Nomination and Remuneration Committee comprises of following Members:

Name	Designation	Category
Mr. R R Hanchinal	Chairman	Independent Non-Executive Director
Mr. Manoj Kumar Das	Member	Independent Non-Executive Director
Mr. Sandeep Signh	Member	Executive Director
Mr. Vijat Bhatia	Member	Chief Financial Officer

The primary objective of the Nomination and Remuneration Committee is to screen and review individuals who are qualified to serve as Key Managerial Personnel, Executive Directors, Non-Executive Directors and Independent Directors and to recommend to Board for the their appointment/ change in remuneration from time to time. Also Nomination and Remuneration Committee's primary role is to identify persons who may be appointed in Senior Management and to change their remuneration from time to time.

During the financial year 2022-23, no meetings of NRC were held.

Remuneration Policy

The Remuneration policy of the Company is to lay down a framework in relation to remuneration of Directors, KMP and Senior Management Personnel and directed towards rewarding performance, based on review of achievements on periodic basis.

The remuneration paid to Directors is approved by the Board of Directors in the Board Meeting, subject to the approval of the Shareholders and such other authorities, if any, as the case may be and the remuneration paid to KMPs and Senior Management other than Directors is approved by the Board of Directors of the Company.

During the financial year, no payments have been made to any Non-Executive Directors.

The Nomination and Remuneration policy of the company is available on the Company's website.

Remuneration of Directors

i. Remuneration to Non- Executive Directors

The Independent Non-Executive Directors are being paid with the sitting fees for attending Board Meetings.

Details of Sitting Fees paid to the Independent Non- Executive Directors during the Financial Year 2022-23 are as follows:

(Amount in Rupees)

Name of the Directors	Sitting Fees Paid FY 2022-23	No. of shares held as on 31 March 2023
Mr. R R Hanchinal	60,000	Nil
Mr. Manoj Kumar Das	60,000	Nil
Ms. Grupsi	N.A.	Nil

ii. Remuneration to Executive Directors

The remuneration of the Executive Directors is based on criteria such as industry benchmarks, the Company's performance, responsibilities shouldered, performance/ track record of the Director etc. and is approved by the Board of Directors.

The Company pays remuneration by way of salary, perquisites and allowances to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the Shareholders.

Details of Remuneration on account of salary and perquisites paid to the Executive Directors during the Financial Year 2022-23 are as follows:

(Amount in Rupees)

Name & Designation of Director	Salaries	Allowances (including HRA, Leave Travel)	Total
Mr. Sandeep Singh Whole Time Director	2,40,000	00	2,40,000

STAKEHOLDER RELATIONSHIP COMMITTEE

As on 31 March 2023, the Stakeholder Relationship Committee comprises of following Members:

Name	Designation	Category
Mr. R R Hanchinal	Chairman	Independent Non-Executive Director
Mr. Manoj Kumar Das	Member	Independent Non-Executive Director
Mr. Sandeep Signh	Member	Executive Director
Mr. Vijat Bhatia	Member	Chief Financial Officer

During the financial year 2022-23, no meetings of SRC was held.

INVESTORS GRIEVANCE REDRESSAL

The Company has been attending to all investor grievances/complaints expeditiously and promptly to the satisfaction of stakeholder(s). The status of Shareholders/ Investors Grievances pursuant to Regulation 13(3) of Listing Regulations for the financial year 2022-23, is as follows:

Particulars	Number of Complaints
Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed during the financial year	Nil
Remaining unresolved as on 31 st March, 2022	Nil

GENERAL BODY MEETINGS

GENERAL BODY MEETING HELD DURING LAST 3 YEARS

Year	Time, Day, Date and Location	Summary of Special Resolutions passed in the AGM
29 th Annual General Meeting	Thursday, the 22 nd December, 2022 at 11.30 a.m. Through Video Conferencing Deemed venue: Village Banondi, PO; Shahzadpur, Teh. Naraingarh, Distt.Ambala, Haryana	1. Appointment of Mr. Manoj Kumar Das as an Independent Director. 2. Appointment of Mr. Hanchinal RR as an Independent Director.
28 th Annual General Meeting	Wednesday, the 29 th September, 2021 at 11.30 a.m. Through Video Conferencing Deemed venue: Village Banondi, PO; Shahzadpur, Teh. Naraingarh, Distt.Ambala, Haryana	To consider and approve the re-appointment of Mr. Sandeep Singh (DIN: 07275838) as the Whole-Time Director of the company.
27 th Annual General Meeting	Monday, the 28 th December, 2020 at 11.30 a.m. Through Video Conferencing Deemed venue: Village Banondi, PO; Shahzadpur, Teh. Naraingarh, Distt.Ambala, Haryana	Nil

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT DURING THE FINANCIAL YEAR 2022-23.

During the Financial Year 2022-23, no Special Resolution was passed through Postal Ballot. Also, no Special Resolution is proposed to be conducted through Postal Ballot.

DISCLOSURES

A. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed section on 'Management Discussion and Analysis' forms part of this report.

B. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

The company has not entered into any related party transactions as per the provisions of Companies Act, 2013 and the LODR regulations.

The Company has also formulated a Policy on Related Party Transactions in accordance with the provisions of the Companies Act, 2013 read with Regulation 23 of the SEBI Listing Regulations. The same is available on the Company's website at www.naraingarhsugarmillsltd.com.

C. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

In the preparation of financial statements, the company has followed the Indian Accounting standards (IND-AS) issued by the Institute of Chartered Accountants of India to the extent applicable. The Board has also affirmed the above that the Annual Accounts have been prepared as per applicable Accounting Standards and Policies and that sufficient care has been taken for maintaining adequate accounting records.

D. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

Your Company has not complied with the applicable provisions of the SEBI Listing Regulations and other applicable regulations and guidelines issued by SEBI and Stock Exchanges. Further no penalties or strictures were imposed by any Stock Exchange or SEBI or any other statutory authorities for any violation related to the capital market during the last 3 (three) years.

The trading of the equity shares of the company has been suspended from BSE Limited for past several years. The company had approached BSE Limited for revival of the listing status of the company. In response to the company's application, BSE Limited has issued intimations to the effect that the revival shall be allowed upon completion of the pending listing compliances. The company is in the process of doing the necessary compliances and in the matter has requested a personal audience with the appropriate authorities.

E. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, PREFERENTIAL ISSUES, ETC.

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues, etc. and hence, there are no unutilized issue proceeds.

F. VIGIL MECHANISM POLICY

The Company promoted ethical behavior in all its business activities and in line with the best international governance practices. The Company has established a system through which Directors, Employees, Business Associates may report via email or via physical mode the unethical behavior, malpractices, wrongful conduct, fraud or violation of Company's code of conduct without any fear of reprisal. The Company has a Vigil Mechanism (Whistle Blower Policy) under which all Directors, Employees and other Business Associates have direct access to the Chairman of the audit Committee. The same is available on the Company's website at www.naraingarhsugarmillsltd.com. During the financial year no personnel has been denied access to the said Director of the company.

G. PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

There is no pecuniary relationship or transactions with Non-Executive Directors.

H. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The disclosure regarding the appointment of Directors is given under the head Board of Directors forming part of the Report on Corporate Governance. The relevant details are also forming part of Notice calling AGM of the Company.

I. RISK MANAGEMENT

The Company from time to time appraises the Board of Directors of the Company with the material risks, concerns and its mitigation plans, related to the Company and the Industry in which the Company operates.

J. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its Employees' men and women to ensure that every Employee is treated with dignity and respect. As mandated under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has also formulated policy for prevention of Sexual Harassment at the workplace. A statement giving details of Sexual Harassment Complaints during the year is as below:

S. No.	Particulars	No. of Complaints
1.	No. of complaints received during the financial year	Nil
2.	No. of complaints disposed of during the financial year	Nil
3.	No. of complaints pending as on end of the financial year	Nil

K. CEO/ CFO CERTIFICATION

The WTD and CFO certification on the Financial Statements is attached and forming part of the Report on Corporate Governance.

GENERAL SHAREHOLDER'S INFORMATION

i. ANNUAL GENERAL MEETING

Day, Date & Time	:	Thursday, the 30 th day of November, 2023 at 11.30 a.m.
Financial Calendar	:	The Financial year of the Company starts from 1st April each year and ends on 31st March of the following year.

ii. CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics for Board of Directors, Senior Management Personnel and Other Employees. The same is available on the Company's website at www.naraingarhsugarmillsltd.com

The Company has also obtained affirmation for adherence to the Code. The declaration from the Chairman & Managing Director to that effect forms a part of this report.

Declaration as required under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	
All Board of Directors, Senior Management personnel and other employees of the Company have affirmed compliance with the Code of Business Conduct and Ethics for the Financial Year ended 31 st March, 2023.	
Place: Naraingarh Date: 23.10.2023	Sandeep Singh Whole Time Director DIN: 07275838

REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Alankit Assignments Limited, having its office at 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi as its Registrar and Transfer Agent (RTA) for transfer of shares of both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Pursuant to the changes made in provisions of Regulation 40 of SEBI Listing Regulations, the transfer of securities shall not be processed unless the securities are held in dematerialized form with effect from 01 April 2019. Further SEBI vide notification dated 08 June 2019 read with press release dated 03 December 2018 had amended Regulation 40 of SEBI Listing Regulations and has mandated all transfers of securities in dematerialized form only w.e.f. 01 April 2019.

The Board of Directors review the share transmissions approved by the RTA, Company Secretary, who have been delegated with requisite authority. All requests for Dematerialization of shares are processed and confirmed to the Depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DP) regarding change of address, change of bank mandates and nomination.

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Pursuant to the provisions of Regulation 31 of SEBI Listing Regulations, the Company's shares are required to be traded compulsorily in the Dematerialized form and are available for trading under both the depository systems in India – NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the depository system is INE491E01015.

For guidance on depository services, shareholders may write to the Company or to the respective Depositories:

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
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Trade World, A Wing 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400013 Telephone: 1800-222-990 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	Marathon Futurex, A-Wing 25 th Floor, N.M. Joshi Marg, Lower Parel, Mumbai- 400013 Telephone: 1800-22-5533 E-mail: heldesk@cdslindia.com Website: https://www.cdslindia.com/
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SHARE TRANSFER SYSTEM

All communications regarding share certificates, change of address, etc. should be addressed to Registrar and Share Transfer Agent of the Company. The Company has delegated authority for approving transmission of shares and other related matters to the Registrar and Share Transfer Agent and the Company Secretary. All share transmissions are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

LISTING ON STOCK EXCHANGES

The Company's shares is listed and actively traded on the below mentioned Stock Exchange.

BSE LIMITED (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Website: www.bseindia.com

Stock Code: 531457

The trading of the company's shares stands suspended from the stock exchange for past several years.

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2023

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
Up To 5,000	2,335	95.344	3162820	15.571
5001 To 10,000	49	2.001	457500	2.252
10001 To 20,000	25	1.021	406400	2.001
20001 To 30,000	8	0.327	187700	0.924
30001 To 40,000	5	0.204	178900	0.881
40001 To 50,000	3	0.122	146000	0.719
50001 To 1,00,000	9	0.367	628300	3.093
1,00,000 and Above	15	0.613	15144580	74.559

CATEGORY OF SHAREHOLDING AS ON 31st MARCH, 2023

Category	Number of Shares held	%
Promoter & Promoter Group	1948890	9.59%
NRI's, Foreign Nationals, OCBs and FIIs including Non Repatriates	497250	2.45%
Body Corporate	2785510	13.71%
Hindu Undivided Families (HUF)	2500	0.01%
Employees and Individuals	15077350	74.23%
Trust	700	0.0%

Total	20312200	100.00%
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MARKET PRICE DATA

The trading of the company's shares on BSE Limited is suspended for past several years. Therefore, the data regarding the trading prices of the company's shares is not available.

STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES: N.A.

OUTSTANDING ADR'S/GDRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

DETAILS OF DEMAT/ UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

CERTIFICATE PURSUANT TO THE REGULATION 34 AND SCHEDULE V (C)(10)(I) OF SEBI LISTING REGULATIONS READ WITH SECTION 164 OF COMPANIES ACT, 2013 REGARDING QUALIFICATION/DISQUALIFICATION TO ACT AS DIRECTOR

The Company has received the certificate from CS Ajay K. Arora, FCS Number 2191, CP Number 993, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority. A copy of the certificate is enclosed with this report.

ANNUAL SECRETARIAL COMPLIANCE REPORT

As per the requirements of Regulation 24A of the SEBI LODR Regulations, the company has obtained the Annual Secretarial Compliance Report for the FY 2022-23 from CS Ajay K Arora FCS Number 2191, CP Number 993, Practicing Company Secretary.

AUDITORS' REMUNERATION

The particulars of payment to Statutory Auditors' by the Company during the financial year 2022-23 are as below:

Particulars	Amount (Rupees in Rs. Lacs)
Statutory audit (including fees for limited reviews)	2.50
Out of pocket expenses	Nil
Total	2.50

CREDIT RATINGS

The company has not obtained any credit ratings during the year.

COMPLIANCE OFFICER

Ms. Prabhjot Kaur, Company Secretary
Corporate Office:
Mobile: 7404161119
Email: cs@nsml.in

REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:

Village Banondi, PO: Shahzadpur, Teh. Naraingarh, Distt. Ambala, Haryana 134202
Phone: 9729547446, 01734- 277388, 278125
E-mail: nsmlnaraingarh@nsml.in
Website: www.naraingarhsugarmillsltd.com
CIN: L74899HR1991PLC032873

PLANT LOCATIONS:

Village Banondi, PO: Shahzadpur, Teh. Naraingarh, Distt. Ambala, Haryana 134202

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The Investors' Complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company.

Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26 March 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at the web link https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redress-mechanism-new-policy-measures_38481.html

STOCK EXCHANGES

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
Phones : 91-22-22721233/4,
91-22-66545695 (Hunting)
Fax : 91-22-22721919
Email: corp.comm@bseindia.com
Website: www.bseindia.com

DEPOSITORIES

National Securities Depository Limited (NSDL)

Trade World, A Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013
Telephone: 1800-222-990
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited (CDSL)

Marathon Futurex, A-Wing, 25th Floor N.M. Joshi Marg, Lower Parel, Mumbai 400013
Telephone: 1800-22-5533
E-mail: helpdesk@cdslindia.com
Website: www.cdslindia.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Limited,
205-208 Anarkali Complex, Jhandewalan Extension, New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Naraingarh Sugar Mills Limited

We have examined the compliance of the conditions of Corporate Governance by Naraingarh Sugar Mills Limited (“the Company”) for the year ended on 31st March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on 31st March, 2023 except in the manner as provided hereunder:

- 1. The Board of Directors of the Company is constituted with one Executive Director and Non-Executive Independent Directors. As informed by the management, the company has re-appointed Ms. Sandeep Singh as the Whole Time Director for another term of 3 years w.e.f. 17.10.2020. The company being in default of repayment of loans from financial institutions during the financial year, is yet to obtain the approval/ consent of such financial institutions for the said re-appointment and payment of remuneration of the whole-time director as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013.*

Ms. Grupsi (DIN: 08788588) represented as one of the Independent Directors of the company has not attended any meetings of the Board/ Management Committee since the previous year. Accordingly, she was liable to vacate the office of Director in terms of Section 167 (1)(b) of the companies Act, 2013. Neither the company nor the Director has taken any measure to affect the vacation of office. However, in view of the contraventions stated here, the company effectively had no woman director on the Board during the year. Further, the Director Identification Number (DIN) of Ms. Grupsi is deactivated due to non-filing of KYC. Consequently, the composition of the Board of Directors was deficient and not in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year, the operations and management of the company were being supervised by the State Government of Haryana. Consequently, the operations were run through a Management Committee constituted by the State Government of Haryana in collaboration with and through the Board of Directors of the company.

The company is yet to file the necessary returns for changes in the composition of the Board of Directors with the Registrar of Companies.

The company has no documentary evidences of circulation of documents in compliance with the Secretarial Standards. Moreover, no signed minutes of attendance records were available for inspection in respect of the said meetings. Further, the composition of the Board being in default for a major part of the year, the Board meetings were not duly held in terms of presence of quorum

- 2. The official website as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not yet updated for all the prescribed contents and there are several irregularities in compliance with the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including but not limited to approval of the periodical financial results and allied periodic filings and submissions with the Stock Exchange. The company has not yet paid the outstanding listing and custodian fees. Also, the entire shareholding of the promoters of the company is not yet dematerialized.*
- 3. On account of the deficient composition of the Board of Directors of the company, the statutory and regulatory committee as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were constituted only during the last quarter of the audit period and the composition of the committee was not entirely in compliance with the applicable regulations.*
- 4. During the Audit period, no meetings of the Board of Directors was held prior to the month of September, 2022. Further, the provisions regarding the minimum number of the meetings for statutory committees and the Independent Director is not complied with.*
- 5. The company has not appointed an Internal Auditor as per the requirements of Section 138 of the Companies Act, 2013.*
- 6. The trading of the company's shares stands suspended on BSE Limited for last several years. On account of the suspended trading, the company has not been able to comply with the requirement of these regulations pertaining to closure of trading window or monitoring the dissemination of Unpublished Price Sensitive Information etc.*

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

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Date: 23.10.2023
Place: Chandigarh

UDIN: F002191E001424722

For **A. ARORA & COMPANY**

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION

To,

The Board of Directors
Naraingarh Sugar Mills Limited

We, the undersigned, in our respective capacities as Whole time Director and Chief Financial Officer of Naraingarh Sugar Mills Limited (“the Company”), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2023 and based on our knowledge and belief , we state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading:
 - (ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors:
 - I. Significant changes, if any, in the internal control over financial reporting during the year;
 - II. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements: and
 - III. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

Sandeep Singh
Whole Time Director

Vijay Bhatia
Chief Financial officer

Place: Naraingarh
Date: 23.10.2023

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015)

To
The Members of
Naraingarh Sugar Mills Limited,
Village: Banondi, Tehsil: Naraingarh,
Ambala, Haryana.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Naraingarh Sugar Mills Limited having CIN – L74899HR1991PLC032873 and having registered office at Village Banondi, Tehsil: Naraingarh, Ambala, Haryana (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that, save as otherwise mentioned hereunder, none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Sandeep Singh Ghuman	07275838	17.10.2015
2.	Ms. Grupsi	08788588	25.07.2020
3.	Mr. Manoj Kumar Das	07693956	28.11.2022
4.	Mr. Rayappa Ramappa Hanchinal	08138621	28.11.2022

In the matter regarding eligibility of the directors and other allied compliances, I further wish to report the following:

- 1. The Board of Directors of the Company is constituted with one Executive Director and Non-Executive Independent Directors. As informed by the management, the company has re-appointed Ms. Sandeep Singh as the Whole Time Director for another term of 3 years w.e.f. 17.10.2020. The company being in default of repayment of loans from financial institutions during the financial year, is yet to obtain the approval/ consent of such financial institutions for the said re-appointment and payment of remuneration of the whole-time director as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013.*
- 2. Ms. Grupsi (DIN: 08788588) represented as one of the Independent Directors of the company has not attended any meetings of the Board/ Management Committee since the previous year.*

Accordingly, she was liable to vacate the office of Director in terms of Section 167 (1)(b) of the companies Act, 2013. Neither the company nor the Director has taken any measure to affect the vacation of office. However, in view of the contraventions stated here, the company effectively had no woman director on the Board during the year. Further, the Director Identification Number (DIN) of Ms. Grupsi is deactivated due to non-filing of KYC. Consequently, the composition of the Board of Directors was deficient and not in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- 3. During the financial year, the operations and management of the company were being supervised by the State Government of Haryana. Consequently, the operations were run through a Management Committee constituted by the State Government of Haryana in collaboration with and through the Board of Directors of the company.*
- 4. The company is yet to file the necessary returns for changes in the composition of the Board of Directors with the Registrar of Companies.*

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

Place: Chandigarh

Date: 23.10.2023

UDIN: F002191E001424689

Ajay K. Arora

(Proprietor)

M No. 2191

C P No. 993

Peer Review Certificate No. : 2120/2022