

ANNUAL REPORT
2025 - 2026

The Naihati Jute Mills Company Limited

BOARD OF DIRECTORS

JUGAL KISHORE BHAGAT (DIN 00055972) – Chairman and Managing Director

NISHA AGRAWAL (DIN 01007810) - Independent Director

SHRISH TAPURIAH (DIN 00395964) – Independent Director

ALOK KUMAR KHASTAGIR (DIN 00124558) – Non-executive Director

NIRMAL PUJARA (DIN 00047803) - Non-executive Director

SWATI GAUTAM (DIN 00948430) - Non-executive Director

SENIOR MANAGEMENT

RAVI BHAGAT – Chief Executive Officer

ASHUTOSH BHAGAT – Jt. Chief Executive Officer

CHIEF FINANCIAL OFFICER

CA KISHOR KUMAR SONTHALIA

COMPANY SECRETARY

CS SHIV KUMAR AGARWAL

AUDITORS

B. CHHAWCHHARIA & CO.

Chartered Accountants

COST AUDITORS

D. RADHAKRISHNAN & CO.

Cost Accountants

SECRETARIAL AUDITORS

S.M. GUPTA & Co.

Company Secretaries

REGISTERED OFFICE

7, HARE STREET (4TH FLOOR)

KOLKATA-700001

Phone: (033) 4000 4570

E-mail: naihati@naihatijute.com

Website: www.naihatijute.com

CIN : U17119WB1905PLC001612

MILL

HAZINAGAR

NORTH 24 PARGANAS-743135

WEST BENGAL

BANKER

PUNJAB NATIONAL BANK

REGISTRAR AND SHARE TRANSFER AGENT

MAHESHWARI DATAMATICS PVT. LTD.

23, R.N. MUKHERJEE ROAD (5TH FLOOR)

KOLKATA-700001

PHONE : (033) 2248 2248 / 2243 5029

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THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 121st Annual General Meeting of The Naihati Jute Mills Company Limited will be held at Conference Room, 4th Floor, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017 on Thursday, the 27th day of August, 2026 at 3.00 P.M. to transact the following business:

1. To receive, consider and adopt the Financial Statements for the financial year ended 31st March, 2026 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nirmal Pujara (DIN: 00047803), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To ratify the remuneration payable to Cost Auditors as approved by the Board of Directors and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the remuneration of ₹30,000 plus applicable taxes and re-imbursement of out of pocket expenses as approved by the Board of Directors payable to Messrs D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), who have been appointed by the Board of Directors as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year ended 31st March, 2027 be and is hereby ratified”.

By Order of the Board

Registered Office:
7, Hare Street (4th Floor),
Kolkata- 700001
Date: 25th June, 2026

CS SHIV KUMAR AGARWAL
Company Secretary

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty-eight hours before the time of commencement of the meeting.** A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Directors and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.
4. The Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTICE *(contd.)*

5. Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
6. Members are requested to bring their copy of Annual Report at the Meeting.

STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (ACT)

Item 3: The Board of Directors had appointed Messrs D. Radhakrishnan & Co., Cost Accountants (Registration No.000018), as Cost Auditors to carry out the audit of the cost accounts in respect of jute goods for the financial year ended 31st March, 2027 at a remuneration of ₹30,000 plus applicable taxes and re-imbursement of out of pocket expenses incurred by them.

In terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members.

The Board recommends the passing of the proposed Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors.

Registered Office:
7, Hare Street (4th Floor),
Kolkata- 700001
Date: 25th June, 2026

By Order of the Board

CS SHIV KUMAR AGARWAL
Company Secretary

DIRECTORS' REPORT TO THE MEMBERS

The Directors of your Company present their Annual Report and Financial Statements for the year ended 31st March, 2026.

FINANCIAL RESULTS		(₹ in lakh)
Profit for the year before finance cost, depreciation and taxation		333.80
From which have been adjusted		
i) Finance Cost	308.80	
ii) Provision for Depreciation	347.78	
iii) Provision for Tax	-	
iv) Provision for Deferred Tax	(82.42)	574.16
leaving a deficit of		(240.36)
which is carried forward to Balance Sheet.		

DIVIDEND

In view of the loss incurred by the Company during the financial year under review, the Board of Directors does not recommend any dividend for the financial year ended 31st March, 2026.

OPERATIONS

The financial year 2025–26 was a challenging year for the jute industry due to record-high raw jute prices arising from a lower crop output and irregular availability of raw jute. The acute shortage of raw jute adversely impacted production planning, operating margins and timely execution of orders across the industry.

As in the previous year, the Company was constrained to operate the mill for a reduced number of working days and with fewer shifts, which adversely impacted its operational performance and profitability. The stock limit on raw jute imposed by the Jute Commissioner since November–December, 2025 constrained the Company's ability to maintain adequate raw material inventories, thereby impacting capacity utilization. Despite sustained efforts to enhance productivity and optimize conversion costs, the lower capacity utilization along with high raw jute prices led to a loss during the year under review.

As part of its modernization programme and to mitigate the impact of labour shortage, the Company continued the replacement of conventional sacking shuttle looms with S4A-type rapier looms. In addition, the Company undertook the installation of other machinery and equipment aimed at improving operational efficiency and strengthening the production process.

The rooftop solar power plant installed by the Company continued to generate clean energy during the year under review, resulting in savings in power costs and reinforcing the Company's green energy initiatives.

Pursuant to the 'One Mill–One Village' initiative introduced by the Jute Commissioner on 20th January, 2025, the Company adopted Nawda Block Panchayat, Sarangpur, West Bengal. Under this programme, the Company supported jute cultivators by distributing quality certified seeds and coragen pesticides, promoting awareness of modern sowing practices and extending other necessary assistance to improve jute cultivation. The outcome of these efforts will be known when the crop is harvested in the coming months.

The Company's production, turnover, profitability and earnings per share during the year under review, as compared with the previous year, are given below:

THE NAIHATI JUTE MILLS COMPANY LIMITED

DIRECTORS' REPORT (contd.)

	<u>Year 2025-26</u>	<u>Year 2024-25</u>
Production (M.Tonne)	22,892	20,431
Total Turnover (₹ in lakh)	29,235.91	21,699.19
Profit/(loss) before taxation (₹ in lakh)	(322.78)	307.38
Profit/(loss) after taxation (₹ in lakh)	(240.36)	227.20
Earnings per share of face value of ₹ 100 (₹)	(112.06)	105.93

OUTLOOK

The area under raw jute crop for the ensuing season is expected to be significantly higher owing to the record high prices prevailing in the market. Coupled with very favourable weather conditions, industry is hopeful of a very good crop in the ensuing season resulting in fair availability of raw jute at relatively affordable prices.

The domestic demand outlook for the jute industry remains positive, supported by the continued policy protection available under the Jute Packing Materials (Compulsory Use in Packing Commodities) Act, 1987. Government procurement of jute sacking bags continues to be the principal source of demand for the industry. Capacity utilization is expected to be much better in the year ahead.

The export market, however, continues to remain highly competitive, particularly due to competition from Bangladesh, which enjoys several cost advantages along with substantial government support and export incentives.

The Company remains focused on prudent raw material management, operational efficiency and cost optimisation. Subject to improved availability of raw jute and stable market conditions, the management expects better operational performance during the current year. Accordingly, the overall outlook for both the Company and the jute industry remains positive.

DIRECTORS

As per provisions of Section 152 of the Companies Act, 2013 (the Act), Shri Nirmal Pujara, Director, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

The Company has received declarations from Shri Shrish Tapuriah and Shrimati Nisha Agrawal, Independent Directors confirming that they meet the criteria of independence laid down in Section 149(6) of the Act.

BOARD MEETINGS

During the year under review, four meetings of the Board of Directors were held on 31st May, 2025, 12th August, 2025, 18th November, 2025 and 6th March, 2026.

AUDIT COMMITTEE

Audit Committee is in place with its composition as under:-

- | | |
|------------------------------------|----------------------------------|
| 1. Shri Shrish Tapuriah (Chairman) | - Independent Director |
| 2. Shrimati Nisha Agrawal | - Independent Director |
| 3. Shri Jugal Kishore Bhagat | - Chairman and Managing Director |

Meetings of the Committee were held during the year on 31st May, 2025, 12th August, 2025, 18th November, 2025 and 6th March, 2026.

DIRECTORS' REPORT *(contd.)*

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Act, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, make the following statements that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY

Remuneration Policy approved by the Board on the recommendation of the Nomination and Remuneration Committee is in force. Remuneration of employees consists of basic salary and perquisite. Remuneration to employees is based on their qualification, experience, responsibilities held and their performance. The objective of the remuneration policy is to motivate employees to excel in the performance, recognise their contribution, retain talent in the organisation and reward merits.

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT

The Company has not given any loan, guarantee or made any investment exceeding sixty percent of paid-up share capital, free reserve and securities premium account or hundred percent of its free reserve and securities premium account, whichever is more, as prescribed in Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts/arrangements with related parties in terms of Section 188(1) of the Act is provided in Form No. AOC-2 which is annexed as **Annexure-'A'** which forms part of the Report.

TRANSFER TO RESERVES

No amount is proposed to carry to any reserve during the year.

EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Due to the acute shortage in availability of raw jute in the market, the Management was compelled to declare suspension of work at the Jute Mill with effect from 06th June, 2026. The Company is closely monitoring the situation and expects to resume operations shortly upon arrival of new crop and improvement of overall business conditions.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of the Section 135 of the Act in connection with Corporate Social Responsibility are not applicable to the Company since the Company falls below the threshold limits.

THE NAIHATI JUTE MILLS COMPANY LIMITED

DIRECTORS' REPORT *(contd.)*

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information in accordance with the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption, foreign exchange earnings and outgo is provided in the **Annexure - 'B'**, which forms part of this Report.

DEPOSITS

The Company has neither invited nor accepted any deposit from the public under Section 73 of the Act and rules made thereunder, during the year under review.

SIGNIFICANT AND MATERIAL ORDERS

There is no significant and material order passed by any of the regulators, courts of law or tribunals impacting the going concern status of the Company or its operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial control procedures commensurate with the size, scale and complexity of its operation, which are well supplemented by surveillance of Internal Auditors.

AUDITORS AND AUDITORS' REPORT

Messrs B. Chhawchharia & Co., Chartered Accountants (ICAI Registration No. 305123E) were appointed as Auditors of the Company at the AGM held on 20th September, 2022 to hold office from the conclusion of the said AGM until the conclusion of sixth consecutive AGM on a remuneration to be mutually agreed upon with the Board of Directors.

The Company as a policy has been accounting for the due gratuity liability for the workers who have retired/ceased to work from the service of the Company. However, the Company has also been gradually funding partially against the accrued liability of gratuity of the existing staff and workers.

The request of the Company to the State Government and its Nodal Agency, West Bengal Industrial Development Corporation Limited for One Time Settlement of the outstanding dues is under consideration. As the Company expects substantial relief, no provision has been made for interest since 1st April, 2000 and for any additional liability, if any, on this account.

COST AUDITORS

Messrs D. Radhakrishnan & Co., Cost Accountants, on the recommendation of the Audit Committee, have been appointed as Cost Auditors of the Company to conduct the audit of the cost accounts maintained by the Company for the year ended 31st March, 2027 at a remuneration of ₹30,000 plus applicable taxes and reimbursement of out of pocket expenses incurred by them subject to ratification of remuneration by the members of the Company at the forthcoming AGM.

SECRETARIAL AUDIT

The Board has appointed Messrs S.M. Gupta & Co., Company Secretaries in practice to carry out the Secretarial Audit for the financial year ended 31st March, 2026. The Secretarial Audit Report for the financial year ended 31st March, 2026 is annexed as **Annexure 'C'** which forms part of the Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

STANDARDS

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DIRECTORS' REPORT *(contd.)*

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company within the meaning of the Act.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Internal Complaints Committee under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment of any of the female employees (permanent, contractual, temporary, trainees). No complaint has been received during the calendar year 2025.

STAFF AND LABOUR

Industrial relations remained harmonious during the year.

PARTICULARS OF EMPLOYEES

The details of employees who are in receipt of remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 'D'** and forms part of this Report.

RISK MANAGEMENT POLICY

In terms of Section 134(3)(n) of the Act, the Board of Directors has adopted a Risk Management Policy which includes identification of elements of risk, its mitigation and other related factors.

ACKNOWLEDGEMENT

The Directors would like to express their appreciation for the unstinted support received from Financial Institutions, Banks and Central and State Governments. The Directors also express their appreciation for the dedicated services rendered to the Company by the employees and workers at all levels.

For and on behalf of the Board

Kolkata
25th June, 2026

JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

THE NAIHATI JUTE MILLS COMPANY LIMITED

ANNEXURE – A TO DIRECTORS' REPORT

FORM NO. AOC - 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis	
The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2025-26	
2 Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	1) Shri Ravi Bhagat 2) Shri Ashutosh Bhagat - both sons of Shri Jugal Kishore Bhagat, Chairman and Managing Director
(b) Nature of contracts/arrangements/transactions	Appointment as 1) Chief Executive Officer 2) Joint Chief Executive Officer
(c) Duration of the contracts/arrangements/transactions	Four years with effect from 1st April, 2024
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	1) ₹530,000 per month (in the scale of ₹530,000-₹40,000-₹650,000)* 2) ₹525,000 per month (in the scale of ₹525,000-₹40,000-₹645,000)* *Plus other allowances, perquisites, benefits and amenities as applicable to other senior executives of the Company.
(e) Date (s) of approval by the Board, if any	12th February, 2024
(f) Amount paid as advance, if any	Nil

For and on behalf of the Board

Kolkata
25th June, 2026

JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

ANNEXURE – B TO DIRECTORS’ REPORT

Conservation of energy, Technology absorption, Foreign exchange earnings and outgo:

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014:

(A) Conservation of energy	
(i) The steps taken or impact on conservation of energy	Following steps taken for conservation of energy have reduced consumption of energy: 1) Replacement of old shuttle looms with modern automated looms. 2) Regular monitoring and maintenance of steam systems, boiler and compressor to minimize energy losses. 3) Proper utilisation of capacitors on respective operational areas 4) Installation of Variable Frequency Drive (VFD) in Spinning Frames.
(ii) The steps taken by the company for utilising alternate sources of energy	1) The Company is using jute caddies in place of coal for steam generation. 2) The Company has already commissioned a captive solar power plant of 1534.5 kWp and is planning to install additional captive solar power plant during the current financial year.
(iii) The capital investment on energy conservation equipments	1) During the year, the Company installed Variable Frequency Drive (VFD) in Spinning Frames resulting in energy savings. 2) The aforesaid electrical items procured during the year were consumable in nature.
(B) Technology absorption	
(i) The efforts made towards technology absorption	The Company is making continuous efforts in installing high productive machines by keeping track of latest development.
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	Improvement of operational efficiency and in product quality.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof	No technology has been imported during the last three years.
(iv) The expenditure incurred on Research and Development	The Company does not have in-house Research and Development facility and no expenditure has been incurred in this regard.
(C) Foreign Exchange Earnings and outgo	
(i) Foreign Exchange earned in terms of actual inflows	NIL
(ii) Foreign Exchange outgo in terms of actual outflows	₹72.20 lakh

For and on behalf of the Board

Kolkata
25th June, 2026

JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

THE NAIHATI JUTE MILLS COMPANY LIMITED

ANNEXURE – C TO DIRECTORS’ REPORT

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of

The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

The Naihati Jute Mills Company Limited

CIN: U17119WB1905PLC001612

Registered Office: 7 Hare Street,

Kolkata-700001

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Naihati Jute Mills Company Limited (CIN:U17119WB1905PLC001612)** (hereinafter called the ‘Company’) for the financial year ended 31st March, 2026. Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (A statutory body constituted under the Company Secretaries Act, 1980) read with Company Secretaries Auditing Standards (CSAS) and in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.
2. The Company’s Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.
3. Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
5. Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors’ Report on Financial Statements and compliance of the conditions of Corporate Governance and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, including by way of electronic mode, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has, during the audit period covering the financial year ended on 31st March, 2026 generally complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
6. (a) We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 and as shown to us during our audit, according to the provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder.
(b) We have also examined the secretarial compliance on test check basis of the records maintained by the Company for the financial year ended on 31st March, 2026 with the provisions of the following laws specifically applicable to the Company and as certified by the management:

ANNEXURE – C TO DIRECTORS’ REPORT (contd.)

- (i) The Factories Act, 1948;
 - (ii) The Industrial Dispute Act, 1947;
 - (iii) The Industrial Relations Act(s);
 - (iv) The Payment of Bonus Act, 1965;
 - (v) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
 - (vi) The Employees’ State Insurance Act, 1948.
7. During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations with available updates:
- Although the Company is not a listed company, this Secretarial Audit Report is being given to comply with the provisions of Section 204(1) read with Rule 9(1)(b) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended since the turnover of the Company was ₹250 crore or more in the financial year ended 31st March, 2026.
8. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Act, to the extent applicable to it.
9. We further report that, as far as we have been able to ascertain:
- a) The Board of Directors of the Company is duly constituted in compliance with the applicable provisions of law. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b) Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - c) Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes as informed to us by the management.
 - d) Based on the compliance mechanism established by the Company and on the basis of the certificates placed before the Board and taken on record by the directors at their meetings, we are of the opinion that the Company has adequate systems and processes, commensurate with its size and operations to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.
10. It is stated that the compliance of all the applicable provisions of the Act, and other laws is the responsibility of the management. We have relied on the representation made by the Company and its officers for systems and mechanism set-up by the Company for compliances under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.
11. In this Report, we have not taken into consideration the events which are already in public domain and also not those events which have not come to our knowledge while conducting this audit.

THE NAIHATI JUTE MILLS COMPANY LIMITED

ANNEXURE – C TO DIRECTORS’ REPORT (contd.)

12. 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.

S.M. Gupta

Proprietor

S.M. GUPTA & CO.

Company Secretaries

Firm Registration No.:S1993WB816800

Membership No.: FCS-896

CP No: 2053

Peer Review No.: 2464/2022

UDIN: F000896H000683732

Place: Kolkata

Date: 25th June, 2026

“Annexure A”

**(to the Secretarial Audit Report of The Naihati Jute Mills Company Limited
for the Financial Year ended 31st March, 2026)**

To,

The Members

The Naihati Jute Mills Company Limited

CIN: U17119WB1905PLC001612

Registered Office: 7 Hare Street,

Kolkata-700001

Our Secretarial Audit Report for the financial year ended 31st March, 2026 of even date is to be read along with this Annexure.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
8. We have also relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit

THE NAIHATI JUTE MILLS COMPANY LIMITED

ANNEXURE – C TO DIRECTORS’ REPORT (contd.)

processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report.

S.M. Gupta

Proprietor

S.M. GUPTA & CO.

Company Secretaries

Firm Registration No.:S1993WB816800

Membership No.: FCS-896

CP No: 2053

Peer Review No.: 2464/2022

UDIN: F000896H000683732

Place: Kolkata

Date: 25th June, 2026

ANNEXURE – D TO DIRECTORS’ REPORT

Information pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The following persons were employed during the financial year and were in receipt of remuneration for that year which, in the aggregate, was not less than ₹1.02 crore (one crore and two lakh rupees):-

Name	Designation	Remuneration Received (₹ in lakh)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age (years)	Last employment held	% of ordinary shares held	Relationship with any other Director/ Manager with name of such Director/ Manager
Jugal Kishore Bhagat	Chairman and Managing Director	127.39	Contractual	B.Com 56 years	01.10.1969	82	None	8.78	None

Notes :

- (a) The appointment is contractual and terminable by notice on either side.
- (b) Remuneration shown above is subject to tax and comprises of basic salary, allowances and monetary value of perquisites.
- (c) Information about qualification is based on particulars furnished by the concerned employee.

There are no employees in the Company who have been employed for a part of the financial year and are in receipt of remuneration for any part of the year which is not less than eight lakh and fifty thousand rupees per month.

For and on behalf of the Board

Kolkata

25th June, 2026

JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of

THE NAIHATI JUTE MILLS COMPANY LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of **THE NAIHATI JUTE MILLS COMPANY LIMITED** (the Company) which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- 3.1 *Provision for accrued liability of gratuity of existing employees amounting to ₹1494.78 lakh (Previous Year ₹1537.99 lakh) as per actuarial valuation has not been made by the Company which constitutes a departure from the Accounting Standard 15, 'Retirement Benefits' referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) [Refer Note 27(ii)].*
- 3.2 (a) *Non-provision of liability of penal/additional interest and liquidated damages on overdue instalments of secured loan from a financial institution, amount unascertainable [Refer Note 4(j)].*
(b) *Non-provision of interest on loan from WBIDC amounting to ₹316.86 lakh (Previous Year ₹306.59 lakh) [Refer Note 4(j)].*

Accordingly, without considering the observations made in paragraph 3.2 (a) above where the effect is not ascertainable, had the observations made by us in paragraphs 3.1 and 3.2 (b) been considered, the loss for the year would have been increased by ₹1811.64 lakh (Previous Year ₹1844.58 lakh) with corresponding effect on the shareholders fund and the current assets.

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

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT *(contd.)*

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing these financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT *(contd.)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
 12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

14. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year is in accordance with the provisions of and limits laid down under Section 197 read with Schedule V of the Act;
15. As required by the Companies (Auditor's Report) Order, 2020 (the Order), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. Further to our comments in "**Annexure A**", as required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

INDEPENDENT AUDITOR'S REPORT *(contd.)*

- c. The financial statements dealt with by this Report are in agreement with the books of account;
- d. *Except for the effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021;*
- e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31st March, 2026 and operating effectiveness of such controls, refer to our separate report in “**Annexure B**” wherein we have expressed an unmodified opinion;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations, other than those disclosed in the financial statements which would impact its financial position as at 31st March, 2026;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2026;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2026;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (the intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (the Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The final dividend paid by the Company during the year ended 31st March, 2026 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which have the feature of recording audit trail (edit log) facility and the same has been

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT *(contd.)*

operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B CHHAWCHHARIA & CO
Chartered Accountants
Firm's Registration No.: 305123E

KSHITIZ CHHAWCHHARIA
Partner

Membership No.: 061087
UDIN: 26061087EMGPDQ2090

Place: Kolkata
Date: 25 June, 2026

Annexure 'A' to the Independent Auditor's Report

The Annexure referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of The Naihati Jute Mills Company Limited on the financial statements for the year ended 31st March, 2026.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company, disclosed in Note 10 to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records
- (b) As disclosed in Note 7 to the financial statements, the Company has been sanctioned a working capital limit in excess of ₹5 crore by banks and based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (contd.)

- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, provided by it as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakh)	Amount paid under protest (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employees State Insurance Act, 1948	Additional demand	23.29	3.17	July, 1973 – November, 1975, January, 1985 - June, 1986, 1990-91, 1992-93, 1993-94, 1997-98 to 1999-2000	The Employees State Insurance Court	-
Income Tax Act, 1961	Income tax	2.85	-	2019-20	Commissioner of Income Tax (Appeals)	-

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (contd.)

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid till the date of audit report	Remarks, if any
Sales tax Loan	Government of West Bengal (through WBIDC)	₹171.30 lakh plus interest charged under dispute	Both	Since April, 2012	Company has been burdened with the additional charge of interest of ₹160 lakh beyond the cut off date of 30th September, 1990 as provided in the Rehabilitation Scheme duly sanctioned by BIFR and the payment of principal also not regularised by WBIDC, the Nodal Agency of the lenders. Further, Company's 'One Time Settlement' proposal last submitted in December 2022, is also pending settlement. The default, if any, is disputed.

- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short-term basis have not been utilised for long-term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clauses 3(ix)(e) and (f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT *(contd.)*

financial statements, as required under Accounting Standard 18, Related Party Disclosures specified in Companies (Accounting Standards) Rules, 2021 as prescribed under Section 133 of the Act.

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section 1 of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B CHHAWCHHARIA & CO
Chartered Accountants
Firm's Registration No.: 305123E

KSHITIZ CHHAWCHHARIA
Partner

Place: Kolkata
Date: 25th June, 2026

Membership No.: 061087
UDIN: 26061087EMGPDQ2090

THE NAIHATI JUTE MILLS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT *(contd.)*

Annexure 'B' to the Independent Auditor's Report

Independent Auditor's Report on the internal financial controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

1. In conjunction with our audit of the financial statements of THE NAIHATI JUTE MILLS COMPANY LIMITED (the Company) as at and for the year ended 31st March, 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial control with reference to Financial Statement based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial control with reference to Financial Statement and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control with reference to Financial Statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial control with reference to Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidences we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control with reference to Financial Statement.

INDEPENDENT AUDITOR'S REPORT *(contd.)*

Meaning of Internal Financial Control with reference to Financial Statement

6. A company's internal financial control with reference to Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, maintained adequate internal financial controls system with reference to financial statements were operating effectively as of 31st March, 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For B CHHAWCHHARIA & CO
Chartered Accountants
Firm's Registration No.: 305123E

KSHITIZ CHHAWCHHARIA
Partner

Place: Kolkata
Date: 25th June, 2026

Membership No.: 061087
UDIN: 26061087EMGPDQ2090

THE NAIHATI JUTE MILLS COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in lakh)

Particulars	Note	As at 31-03-2026	As at 31-03-2025
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	214.49	214.49
(b) Reserves and Surplus	3	20,466.32	20,728.13
		20,680.81	20,942.62
Non-current Liabilities			
(a) Long-term Borrowings	4	373.93	481.47
(b) Deferred Tax Liabilities (net)	5	-	50.74
(c) Long-term Provisions	6	140.13	143.57
		514.06	675.78
Current Liabilities			
(a) Short-term Borrowings	7	2,956.22	3,093.32
(b) Trade Payables	8		
- Total outstanding dues of Micro and Small Enterprises		50.23	58.30
- Total outstanding dues of creditors other than Micro and Small Enterprises		309.34	1,014.27
(c) Other Current Liabilities	9	1,418.80	1,800.25
(d) Short-term Provisions	6	251.90	242.27
		4,986.49	6,208.41
Total Equity and Liabilities		26,181.36	27,826.81
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment and Intangible Assets	10		
- Property, Plant and Equipment		19,990.67	19,924.92
- Intangible Assets		5.78	10.80
- Capital Work-in-Progress			
- Property, Plant and Equipment		21.50	14.50
		20,017.95	19,950.22
(b) Non-current Investments	11	0.10	0.10
(c) Long-term Loans and Advances	12	5.78	16.54
(d) Deferred Tax Assets (net)	5	31.68	-
(e) Other Non-current Assets	13	9.85	9.72
		20,065.36	19,976.58
Current Assets			
(a) Inventories	14	4,956.25	5,606.88
(b) Trade Receivables	15	735.12	1,936.40
(c) Cash and Cash Equivalents	16	48.62	86.85
(d) Short-term Loans and Advances	12	375.91	219.49
(e) Other Current Assets	17	0.10	0.61
		6,116.00	7,850.23
Total Assets		26,181.36	27,826.81

As per our Report of even date
For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E
KSHITIZ CHHAWCHHARIA
Partner
Membership No. 061087
UDIN: 26061087EMGPDQ2090
Place: Kolkata
Date: 25th June, 2026

RAVI BHAGAT
Chief Executive Officer
CA KISHOR KUMAR SONTALIA
Chief Financial Officer
CS SHIV KUMAR AGARWAL
Company Secretary

For and on behalf of the Board
JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

THE NAIHATI JUTE MILLS COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026 (₹ in lakh)

Particulars	Note	2025-26	2024-25
I. Revenue from Operations	18	29,235.91	21,699.19
II. Other Income	19	211.29	67.18
III. Total Income (I + II)		29,447.20	21,766.37
IV. Expenses			
(a) Cost of Materials Consumed	20	21,300.92	12,522.33
(b) Change in Inventories of Finished Goods and Work-in-Progress	21	(1,164.17)	115.52
(c) Employee Benefits Expense	22	6,047.50	5,788.55
(d) Finance Cost	23	308.80	271.09
(e) Depreciation and Amortization Expense	10	347.78	267.99
(f) Other Expenses	24	2,929.15	2,493.51
Total Expenses		29,769.98	21,458.99
V Profit/(loss) before Tax (III - IV)		(322.78)	307.38
VI Tax Expenses			
(a) Current Tax		-	65.50
(b) Deferred Tax		(82.42)	14.68
VII Profit/(loss) for the Year (V-VI)		(240.36)	227.20
VIII Earning per Ordinary Share (Face value of ₹100)	31		
(a) Basic		(112.06)	105.93
(b) Diluted		(112.06)	105.93
Significant Accounting Policies and Notes to Financial Statements	1 to 39		

As per our Report of even date
For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E
KSHITIZ CHHAWCHHARIA
Partner
Membership No. 061087
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JUGAL KISHORE BHAGAT
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THE NAIHATI JUTE MILLS COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in lakh)

	2025-26	2024-25
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	(322.78)	307.37
Adjusted for		
-Depreciation	347.78	267.99
-Interest Income	(1.63)	(3.95)
-Finance Cost	308.80	271.09
-Liability no longer required written back	(118.17)	-
-Profit on sale of Fixed Assets	(31.10)	(7.03)
Operating Profit before Working Capital changes	182.90	835.47
Adjusted for		
Changes in Working Capital		
-Trade and Other Receivables	1,134.37	(948.44)
-Inventories	650.63	(1,200.29)
-Trade Payables and other current liabilities	(970.07)	740.57
Cash generated from Operations	997.83	(572.69)
-Income Tax paid (net of refund)	(81.37)	(51.59)
Net Cash flow from Operating Activities (A)	916.46	(624.28)
B. CASH FLOW FROM INVESTING ACTIVITIES		
-Purchase of Fixed Assets	(416.49)	(651.21)
-Sale of Fixed Assets	35.08	9.84
-Interest Received	1.63	3.95
Net Cash used in Investing Activities (B)	(379.78)	(637.42)
C. CASH FLOW FROM FINANCING ACTIVITIES		
- Proceeds /(Repayment) of Long-term Borrowings (net)	(107.54)	142.20
- Proceeds /(Repayment) of Short-term Borrowings (net)	(137.12)	1,343.74
- Interest Paid	(308.80)	(271.09)
- Dividend Paid	(21.45)	(21.45)
Net Cash from Financing Activities (C)	(574.91)	1,193.40
Net Increase in Cash and Cash		
Equivalents (A + B + C)	(38.23)	(68.30)
Cash and Cash Equivalents at the beginning of the year	86.85	155.15
Cash and Cash Equivalents at the end of the year	48.62	86.85
Components of Cash and Cash Equivalents		
Balances with Scheduled Bank :		
-On Current Account	22.32	52.18
-Cash on Hand	20.88	24.23
-Fixed Deposit (more than 12 months maturity)	5.42	10.44
Total Cash and Cash Equivalents (Refer Note 16)	48.62	86.85

Notes:

- The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in the Accounting Standard 3 'Cash Flow Statements' specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- Cash and Cash Equivalent at the year end as disclosed above are available for use in the ordinary course of business.
- Figures in brackets represents cash outflow.

As per our Report of even date

For B. CHHAWCHHARIA & CO.

Chartered Accountants

Firm Registration No. 305123E

KSHITIZ CHHAWCHHARIA

Partner

Membership No. 061087

UDIN: 26061087EMGPDQ2090

Place: Kolkata

Date: 25th June, 2026

RAVI BHAGAT

Chief Executive Officer

CA KISHOR KUMAR SONTHALIA

Chief Financial Officer

CS SHIV KUMAR AGARWAL

Company Secretary

For and on behalf of the Board

JUGAL KISHORE BHAGAT

Chairman and Managing Director

DIN: 00055972

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

(i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company follows the mercantile system of accounting and recognises income and expenses on accrual basis. The accounts are prepared on historical cost basis except for certain fixed assets which are stated at revalued amounts. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles and the provisions of the Companies Act, 2013.

All the Assets and Liabilities have been classified as Current and Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of Current and Non-current classification of Assets and Liabilities.

(ii) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principle requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialized.

(iii) TANGIBLE AND INTANGIBLE FIXED ASSETS AND DEPRECIATION/ AMORTISATION

Property, Plant and Equipment

(a) Recognition

Property, plant and equipment are stated at cost of acquisition or construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. Cost of acquisition includes inward freight, duties and taxes (net of cenvat availed), dismantling cost and installation expenses etc. incurred up to the installation of the assets.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The Company has adopted cost model as prescribed under Accounting Standard 10: Property, Plant and Equipment in respect of all classes of assets except for land and building for which revaluation model has been adopted. In respect of revalued assets the difference between written down value of assets and valuation is transferred to Revaluation Reserve.

In respect of Land, the difference between carrying amount of Land and the revalued amount is transferred to Revaluation Reserve.

(b) Depreciation

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the written down value method except on the additions to Plant and Machinery and Diesel Generating Sets made after 1st April, 1963 on which depreciation is provided on straight line method. Depreciation is provided based on useful economic life of the assets as prescribed in Schedule II to the Companies Act, 2013.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

Category	Useful life
Buildings	
-Non-factory Building (RCC Frame Structure)	60 Years
-Factory Building	30 Years
Plant and Machinery and Diesel Generating Set	15 Years
Electrical Installation	10 Years
Computers and data processing units	
-Servers and networks, such as, desktops, laptops, etc	3 Years
-Software and Licence	5 Years
Furniture and fixtures, Electrical Installation and Laboratory Equipment	10 Years
Office Equipment	5 Years
Motor Vehicle	8 Years

As provided in Schedule II to the Companies Act, 2013, the amount equivalent to the depreciation charged on the amount added on revaluation is not being transferred to Statement of Profit and Loss from Revaluation Reserve.

(iv) IMPAIRMENT OF ASSETS

Impairment is ascertained at each Balance Sheet date in respect of cash generating units. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

(v) CAPITAL WORK-IN-PROGRESS

Capital work-in-progress under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

(vi) INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment loss, if any. Such assets are amortised on written down value method over the useful economic life of the respective assets and in the manner prescribed in Schedule II to the Companies Act, 2013.

(vii) GOVERNMENT GRANTS

Government Grants related to fixed assets are adjusted with the value of the fixed asset/credited to Capital Reserve. Government Grants related to revenue items are adjusted with the related expenditure/taken as income. Such grants are accounted for as and when the ultimate realisability of the same is established.

(viii) NON-CURRENT/LONG-TERM INVESTMENT

Non-current/Long-term investments are carried at acquisition cost less provision for permanent diminution in the value. Investments intended to be held for not more than one year are classified as current investments and are valued at lower of cost and fair value.

(ix) INVENTORIES

Inventories are valued at lower of the cost or net realizable value. Cost of inventories is

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

ascertained on 'weighted average' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods represents prime cost and includes appropriate portion of overheads.

Cost in respect of process stock represents cost incurred up to the stage of completion.

Caddies, Thread Waste etc. are valued at estimated realisable value.

Cost has been considered after taking credit for taxes whenever and to the extent available.

(x) REVENUE RECOGNITION

Sale of Goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, and the amount of revenue can be measured reliably.

Export Incentive accounted on the basis of accrual.

Sale of Import Entitlements is accounted on the basis of actual transaction /utilization thereof.

Other Income

Other Income is accounted on accrual basis except where the receipt of income is uncertain.

(xi) EMPLOYEE BENEFITS

Employee benefits are accrued in the year in which services are rendered by the employees. Short - term employee benefits are recognised as an expenses in the statement of profit and loss for the year in which the related service is rendered.

Contribution to defined contribution schemes such as Provident Fund, Superannuation Fund etc. are recognised as and when incurred.

Long-term employee benefits under defined benefits scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gain and losses are recognised in the year when they arise.

(xii) FOREIGN CURRENCY TRANSACTIONS

Income and Expenditure in foreign currency is converted into rupee at the rate of exchange prevailing on the date of transaction. Realised gains and losses on foreign exchange transactions in the year are recognised in the Statement of Profit and Loss.

Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates and the resultant exchange difference is recognised in the Statement of Profit and Loss. In the case of acquisition of fixed assets, the exchange differences are adjusted to the cost of respective fixed assets. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid/received on forward contracts is recognized over the life of the contract.

(xiii) CLAIMS

Insurance claims are accounted for on settlement thereof.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS *(contd.)*

Claim for quality, shortage etc. made in respect of purchase of raw jute but not admitted by the parties is adjusted in the consumption for the year and on settlement thereof, difference, if any, is accounted for.

(xiv) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(xv) TAXATION

Tax expense for the period, comprising current tax and deferred tax, is included in the determination of the net profit or loss for the period. Provision is made for current tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

(xvi) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Liability of interest/penalty due to delayed payment of statutory dues being unascertained is accounted for on imposition of demands.
- (b) Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable and in respect of which a reliable estimate can be made.
- (c) Contingent liabilities are shown by way of Notes to the Financial Statements in respect of obligations, where, based on the evidence available, their existence at the Balance Sheet date is considered not probable or a reliable estimate of the same cannot be made.
- (d) Contingent Assets are neither recognised nor disclosed in the Financial Statements.

(xvii) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The net profit or loss for the period attributable to ordinary shareholders is the net profit or loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of ordinary shares is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by the time-weighting factor.

(xviii) STATEMENT OF CASH FLOWS

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

	As at 31-03-2026	As at 31-03-2025
2 SHARE CAPITAL		
Capital Structure		
Authorized		
479,989 (479,989) Ordinary Shares of ₹100 each	479.99	479.99
70,000 (70,000) Preference Shares of ₹100 each	70.00	70.00
	549.99	549.99
Issued, Subscribed and Fully Paid-up		
214,489 (214,489) Ordinary Shares of ₹100 each	214.49	214.49
Share Capital Reconciliation		
Ordinary Share Capital		
Balance at the beginning of the reporting period	214.49	214.49
Changes in Ordinary Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Change in Ordinary Share Capital during the current year	-	-
Balance at the end of the reporting period	214.49	214.49

Particulars of Shareholders holding more than 5% shares as at Balance Sheet date

	As at 31-03-2026		As at 31-03-2025	
	No.	% of holding in the class	No.	% of holding in the class
Ordinary Shares of ₹100 each fully paid-up				
Jugal Kishore Bhagat	18825	8.78	18825	8.78
Ravi Bhagat	19324	9.01	20110	9.37
Ashutosh Bhagat	21324	9.94	21324	9.94
Rita Bhagat	40058	18.68	39958	18.63
Vinita Bhagat	48353	22.54	48353	22.54
Archita Bhagat	48353	22.54	-	-
Vedant Bhagat	1000	0.47	48567	22.64

Particulars of Promoter Shareholding for Ordinary Share Capital as at Balance sheet date:

	As at 31-03-2026		As at 31-03-2025		% Change
Promoter Name	No. of Shares	% of total Shares	No. of Shares	% of total Shares	during the year
Jugal Kishore Bhagat	18825	8.78	18825	8.78	-
Ravi Bhagat	19324	9.01	20110	9.37	(0.36)
Ashutosh Bhagat	21324	9.94	21324	9.94	-
Rita Bhagat	40058	18.68	39958	18.63	0.05
Vinita Bhagat	48353	22.54	48353	22.54	-
Archita Bhagat	48353	22.54	-	-	22.54
Bhagat Refinerers and Chemicals Private Limited	7795	3.63	7795	3.63	-

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

Rights, Preferences and Restrictions attached to shares

Ordinary Shares

The Company has one class of Ordinary Shares having a par value of ₹100. Each holder of Ordinary Shares is entitled to one vote proportionate to paid-up capital. The Company declares and pays dividends in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of Shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of Ordinary Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Ordinary Shares held by the Shareholders and their paid-up amounts.

(₹ in lakh)

3 RESERVES AND SURPLUS

Capital Reserve

Others (details not available)

As at 31-03-2026	As at 31-03-2025
5.67	5.67

Securities Premium Reserve

Balance at the beginning of the year

34.00	34.00
-------	-------

Add: Created during the year

-	-
---	---

Balance at the end of the year

34.00	34.00
-------	-------

Capital Redemption Reserve

Balance at the beginning of the year

27.50	27.50
-------	-------

Add: Created during the year

-	-
---	---

Balance at the end of the year

27.50	27.50
-------	-------

Revaluation Reserve

Balance at the beginning of the year

18,129.06	18,129.06
-----------	-----------

Add: Created during the year

-	-
---	---

Balance at the end of the year

18,129.06	18,129.06
-----------	-----------

General Reserve

Balance at the beginning of the year

1,025.00	25.00
----------	-------

Add:- Transfer from Surplus in the Statement of Profit and Loss during the year

-	1,000.00
---	----------

Balance at the end of the year

1,025.00	1,025.00
----------	----------

Surplus in the Statement of Profit and Loss

Balance at the beginning of the year

1,506.90	2,301.16
----------	----------

Add: Profit/(loss) for the year

(240.36)	227.19
----------	--------

1,266.54	2,528.35
----------	----------

Less : Transfer to General Reserve during the year

-	1,000.00
---	----------

Less : Final Dividend

21.45	21.45
-------	-------

Balance at the end of the year

1,245.09	1,506.90
----------	----------

20,466.32	20,728.13
-----------	-----------

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

	Non-current portion		Current maturities	
	As at	As at	As at	As at
	31-03-2026	31-03-2025	31-03-2026	31-03-2025
4 LONG-TERM BORROWINGS				
Secured Loans				
From Banks				
Rupee Term Loan	354.80	441.10	330.04	325.74
Rupee Vehicle Loan	19.13	4.98	15.94	17.12
Rupee Working Capital Term Loan	-	35.39	35.39	60.66
From Government of West Bengal				
Loan for payment of sales tax and raw jute tax dues:				
Loan (through WBIDC)	-	-	171.30	171.30
	<u>373.93</u>	<u>481.47</u>	<u>552.67</u>	<u>574.82</u>
Amount disclosed under the head 'Short-term Borrowings' (Refer Note 7)	-	-	552.67	574.82
	<u>373.93</u>	<u>481.47</u>	-	-

Security

Rupee Term Loan of ₹684.84 lakh from Bank is secured by specific machineries purchased out of the loan and collaterally secured by Land and Building, other block assets and guaranteed by Bansidhar Ghanshyamdass.

Rupee Vehicle Loans of ₹35.07 lakh from Bank is secured by hypothecation of specific vehicles being financed.

Rupee Working Capital Term Loan of ₹35.39 lakh from Bank is secured by hypothecation of stock of raw jute, jute goods, stores and spares, goods-in-transit, book-debt and collaterally secured by second charge on fixed assets by way of equitable mortgage and guaranteed by National Credit Guarantee Trustee Company.

Loan of ₹274.14 lakh (including interest upto March, 2000 ₹102.84 lakh - Refer Note 9) are secured by residual charge on all the fixed assets of the Company subject to the charge in favour of financial institutions, banks and others.

Repayment Terms

Particulars	No. of Instalments	Amount of Instalment	Maturity date	Interest
a) Rupee Term Loan of ₹8.45 lakh from Punjab National Bank	1 Monthly	PRINCIPAL ₹8.33 lakh	30-04-2026	RLLR+0.20%
b) Rupee Term Loan of ₹153.59 lakh from Punjab National Bank	18 Monthly	PRINCIPAL ₹8.33 lakh	30-09-2027	RLLR+0.20%
c) Rupee Term Loan of ₹281.12 lakh from Punjab National Bank	26 Monthly	PRINCIPAL ₹10.83 lakh	31-05-2028	RLLR
d) Rupee Term Loan of ₹241.68 lakh from Punjab National Bank	36 Monthly	PRINCIPAL ₹7.64 lakh	31-03-2029	RLLR+0.20%
e) Rupee Vehicle Loan of ₹4.92 lakh from Punjab National Bank	16 Monthly	EMI ₹0.33 lakh	11-07-2027	8.75%
f) Rupee Vehicle Loan of ₹10.24 lakh from Punjab National Bank	24 Monthly	EMI ₹0.47 lakh	29-03-2028	8.35%
g) Rupee Vehicle Loan of ₹12.72 lakh from Punjab National Bank	30 Monthly	EMI ₹0.47 lakh	24-09-2028	7.80%
h) Rupee Vehicle Loan of ₹7.19 lakh from Punjab National Bank	32 Monthly	EMI ₹0.25 lakh	07-11-2028	7.80%
i) Rupee Working Capital Term Loan of ₹35.39 lakh from Punjab National Bank	7 Monthly	PRINCIPAL ₹5.06 lakh	31-10-2026	RLLR+0.85% Max 9.25%

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

- j) Loan from Government of West Bengal (through WBIDC) - (i) Loan with interest upto March, 2000 amounting to ₹274.14 lakh was repayable in 24 quarterly instalments commencing from June, 2001, (ii) Further interest (net of rebate) from April, 2000 to March, 2026 amounting to ₹316.86 lakh (including ₹10.28 lakh for current year) remains unprovided, and (iii) Penal interest, additional interest and liquidated damages (amount unascertainable) also remains unprovided; and all remain unpaid, since Company's request for settlement of loan as well as waiver of interest, additional interest, penal interest and liquidated damages is pending since long.

(₹ in lakh)

As at
31-03-2026 **As at**
31-03-2025

5 DEFERRED TAX LIABILITIES (net)

The Principal components of Deferred Tax Liabilities and Assets are as follows:

Deferred Tax Liabilities

Difference between book value of depreciable assets as per Books of Account and written down value for tax purposes

91.09	76.62
91.09	76.62

Deferred Tax Assets

Tax impact of expenses charged to the Statement of Profit and Loss but allowance under tax laws deferred

25.88	25.88
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Tax impact on unabsorbed depreciation and business Loss

96.89	-
--------------	---

122.77	25.88
---------------	-------

Net Deferred Tax Liabilities/(Assets)

(31.68)	50.74
----------------	-------

Long-term		Short-term	
As at	As at	As at	As at
31-03-2026	31-03-2025	31-03-2026	31-03-2025

6 PROVISIONS

Provision for Employee Benefits

For Bonus

-	-	207.93	201.63
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For Leave Benefits

140.13	143.57	43.97	40.64
---------------	--------	--------------	-------

140.13	143.57	251.90	242.27
---------------	--------	---------------	--------

7 SHORT-TERM BORROWINGS

From Bank (secured) :

Working Capital Loan

2403.55	2518.50
----------------	---------

Current maturities of Long-term debts (Refer Note 4)

552.67	574.82
---------------	--------

2,956.22	3,093.32
-----------------	----------

Working Capital Loan and Packing Credit from Bank are secured by hypothecation of stock of raw jute, jute goods, stores and spares, goods-in-transit, book-debt and collaterally secured by second charge on fixed assets by way of equitable mortgage and guaranteed by Messrs Bansidhar Ghanshyamdass.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

	As at 31-03-2026	As at 31-03-2025
8 TRADE PAYABLES		
For Goods and Services received in the ordinary course of business		
Total outstanding dues of Micro and Small Enterprises	50.23	58.30
Total outstanding dues of creditors other than Micro and Small Enterprises	309.34	1014.27
	359.57	1,072.57

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
For the year ended 31st March, 2026					
(i) MSME	50.23	-	-	-	50.23
(ii) Others	309.34	-	-	-	309.34
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed - Others	-	-	-	-	-
For the year ended 31st March, 2025					
(i) MSME	58.30	-	-	-	58.30
(ii) Others	1010.29	3.98	-	-	1,014.27
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed - Other	-	-	-	-	-

	As at 31-03-2026	As at 31-03-2025
9 OTHER CURRENT LIABILITIES		
Interest accrued and due on Borrowings (WBIDC)	102.84	102.84
Advance from Customers	0.26	40.04
Statutory Dues	88.30	182.06
Other Payables (includes provision for outstanding liabilities and expenses, unclaimed employee benefits and other expenses payable)	1227.40	1,475.31
	1,418.80	1,800.25

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

10. PROPERTY, PLANT AND EQUIPMENTS										(₹ in lakh)
PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01-04-2025	Additions	Deductions and/or Adjustments	Total as at 31-03-2026	Up to 31-03-2025	During the year	Deductions and/or Adjustments	Up to 31-03-2026	As at 31-03-2026	As at 31-03-2025
Land	18,031.00	-	-	18,031.00	-	-	-	-	18,031.00	18,031.00
Buildings	437.97	-	-	437.97	375.40	3.41	-	378.81	59.16	62.57
Plant and Machinery	4,200.24	356.47	66.07	4,490.64	2,896.64	244.72	64.45	3,076.91	1,413.73	1,303.60
Solar Plant	437.33	-	-	437.33	3.80	55.09	-	58.89	378.44	433.54
Diesel Generating Sets	130.70	-	-	130.70	124.41	-	-	124.41	6.29	6.29
Engines and Boilers	50.52	-	-	50.52	48.22	-	-	48.22	2.30	2.30
Sprinkler Installation	9.17	-	-	9.17	9.17	-	-	9.17	-	-
Electrical Installation	228.70	-	-	228.70	217.63	-	-	217.63	11.07	11.07
Railway Siding	2.75	-	-	2.75	2.75	-	-	2.75	-	-
Tubewell Installation	19.69	-	-	19.69	18.71	-	-	18.71	0.98	0.98
Jetty	10.20	-	-	10.20	10.20	-	-	10.20	-	-
Furniture and Fittings	53.79	-	-	53.79	47.55	1.37	-	48.92	4.87	6.24
Vehicles	156.44	43.50	29.89	170.05	106.70	27.92	27.54	107.08	62.97	49.74
Office Machinery, Equipments, Airconditioners and Refrigerators	69.48	10.03	-	79.51	60.94	6.11	-	67.05	12.46	8.54
Computer	131.20	2.49	-	133.69	123.76	3.87	-	127.63	6.06	7.44
Weighing Machines	21.32	-	-	21.32	19.71	0.27	-	19.98	1.34	1.61
TOTAL	23,990.50	412.49	95.96	24,307.03	4,065.59	342.76	91.99	4,316.36	19,990.67	19,924.92
Intangible Assets										
Computer Software	43.61	-	-	43.61	32.81	5.02	-	37.83	5.78	10.80
TOTAL	24,034.11	412.49	95.96	24,350.64	4,098.40	347.78	91.99	4,354.19	19,996.45	19,935.72
Previous Year Figures	23,441.90	636.70	44.49	24,034.11	3,872.09	267.99	41.69	4,098.39	19,935.72	

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

Property, Plant and Equipment Assets under development ageing schedule

As at 31-03-2026

Particulars	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	21.50	-	-	-	21.50
Projects temporarily suspended	-	-	-	-	-

As at 31-03-2025

Particulars	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.50	-	-	-	14.50
Projects temporarily suspended	-	-	-	-	-

As at
31-03-2026 As at
31-03-2025

11 NON-CURRENT INVESTMENTS

Other Investments (valued at cost) - Unquoted

Investment in Debentures

5% Non-redeemable Debenture Stock, 1957 of Woodland Hospital & Medical Research Centre Limited

0.10	0.10
<u>0.10</u>	<u>0.10</u>

Long-term

As at As at
31-03-2026 31-03-2025

Short-term

As at As at
31-03-2026 31-03-2025

12 LOANS AND ADVANCES

Unsecured, Considered Good

Capital Advances

2.00 5.00

- -

Others

Advances recoverable in cash or in kind or for value to be received

1.41 5.38

31.55 41.73

Prepaid Expenses

2.37 6.16

9.81 9.86

Advance tax and TDS (net of provision)

- -

132.19 50.82

Balance with Statutory/
Government Authorities

- -

202.36 117.08

5.78 16.54

375.91 219.49

The Company has not granted any loan and advances in the nature of loans to promoters, directors, KMPs and related parties during the current as well as previous financial year.

13 OTHER NON-CURRENT ASSETS

Security Deposit

9.85 9.72

9.85 9.72

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

	As at 31-03-2026	As at 31-03-2025				
14 INVENTORIES						
(as taken, valued and certified by the management)						
Raw Material	1,786.86	3,625.16				
Work-in-Progress	1,017.63	805.35				
Finished Goods	1,941.11	989.22				
Stores and Spare Parts	210.65	187.15				
	<u>4,956.25</u>	<u>5,606.88</u>				
Details of Raw Material						
Raw Jute	1,742.80	3,586.29				
Batching Oil	33.38	29.42				
Dyes and Chemicals	6.91	7.31				
Caddies, Thread Waste etc.	3.77	2.14				
	<u>1,786.86</u>	<u>3,625.16</u>				
15 TRADE RECEIVABLES						
Dues for the period upto six months	690.51	1,891.79				
Others	44.61	44.61				
	<u>735.12</u>	<u>1,936.40</u>				
Trade Receivables ageing schedule:						
	Outstanding for following periods from date of transaction					
Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
For the year ended 31st March, 2026						
(i) Undisputed - Considered Good	690.51	-	-	-	20.21	710.72
(ii) Undisputed - Considered doubtful	-	-	-	-	-	-
(iii) Disputed - Considered good	-	-	-	-	24.41	24.41
(iv) Disputed - Considered doubtful	-	-	-	-	-	-
						<u>735.12</u>
For the year ended 31st March, 2025						
(i) Undisputed - Considered Good	1891.79	-	-	1.62	18.58	1,911.99
(ii) Undisputed - Considered doubtful	-	-	-	-	-	-
(iii) Disputed- Considered good	-	-	-	-	24.41	24.41
(iv) Disputed- Considered doubtful	-	-	-	-	-	-
						<u>1,936.40</u>
	As at 31-03-2026	As at 31-03-2025				
16 CASH AND CASH EQUIVALENTS						
Balances with Banks in Current Account	22.32	52.18				
Cash on hand	20.88	24.23				
Fixed Deposit (more than 12 months maturity)	5.42	10.44				
	<u>48.62</u>	<u>86.85</u>				
17 OTHER CURRENT ASSETS						
Interest Receivable	0.10	0.61				

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

	2025-2026	2024-2025
18 REVENUE FROM OPERATIONS		
Sale of Products		
Finished Goods	29,225.73	21,690.00
Other Operating Revenue		
By-products	10.18	9.19
	<u>29,235.91</u>	<u>21,699.19</u>
19 OTHER INCOME		
Interest Income	1.63	3.95
Insurance Claim Received	-	17.84
Foreign Exchange Fluctuations	0.33	1.87
Liability no longer required	118.17	-
Profit on sale of Fixed Assets	31.10	7.03
Other Miscellaneous Income	60.06	36.49
	<u>211.29</u>	<u>67.18</u>
20 COST OF MATERIALS CONSUMED		
Inventory at the beginning of the year	3,625.16	2,308.40
Add: Purchases less returns	19,462.62	13,839.09
Less: Inventory at the end of the year	1,786.86	3,625.16
	<u>21,300.92</u>	<u>12,522.33</u>
21 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK- IN- PROGRESS		
Inventory at the beginning of the year		
Finished Goods	989.22	1,089.92
Work-in-Progress	805.35	820.17
	<u>1,794.57</u>	<u>1,910.09</u>
Inventory at the end of the year		
Finished Goods	1,941.11	989.22
Work-in-Progress	1,017.63	805.35
	<u>2,958.74</u>	<u>1,794.57</u>
	<u>(1,164.17)</u>	<u>115.52</u>
22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus etc.	5,422.21	5,186.12
Contribution to Provident and Other Funds	580.74	565.18
Staff Welfare Expenses	44.55	37.25
	<u>6,047.50</u>	<u>5,788.55</u>
23 FINANCE COST		
Interest Expenses	294.45	257.34
Other Borrowing Costs	14.35	13.75
	<u>308.80</u>	<u>271.09</u>

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

	2025-2026	2024-2025
24 OTHER EXPENSES		
Consumption of Stores and Spare Parts	681.13	602.83
Bleaching, Processing and Printing Expenses	654.76	505.66
Power and Fuel	881.56	887.73
Rent	9.11	9.11
Repairs and Maintenance		
Plant and Machinery	48.78	33.83
Building	45.96	31.08
Others	81.81	81.76
Insurance	65.78	26.50
Loss due to Fire (net of insurance claim)	81.90	-
Rates and Taxes	25.94	16.64
Freight and Delivery Charges	38.25	41.41
Brokerage on Sales	31.56	21.98
Payment to Auditors		
For Statutory Audit	7.50	7.50
For Tax Audit	1.50	1.35
Internal Audit	2.40	2.00
Cost Audit	0.25	0.25
Directors' Fee	2.40	2.45
Professional and Consultancy Charges	57.01	45.34
Travelling Expenses	81.37	72.17
Miscellaneous Expenses	130.18	103.92
	<u>2,929.15</u>	<u>2,493.51</u>

25 Contingent Liabilities not provided for in respect of:

- Additional demand of Employees State Insurance for the years July, 1973 – November, 1975, 27-01-1985 to June, 1986, 1990-1991, 1992-1993, 1993-1994 and 1997-1998 to 1999-2000 amounting to **₹23.29 lakh** [amount deposited **₹3.17 lakh** their against] (same in previous year) against which Company's appeals are pending.
- Contingent Liability in respect of contested demand of Income Tax for Assessment Year 2020-21 for **₹2.85 lakh** (₹2.85 lakh).

26 Estimated amount of contracts remaining to be executed on capital account and not provided (net of advance) – **₹23.00 lakh** (₹16.75 lakh).

- The accrued and due liability of gratuity of retired/resigned employees during the year amounting to **₹162.94 lakh** (₹313.84 lakh) has been duly provided for and the payment in this year to such employees amount to **₹246.76 lakh** (₹236.61 lakh).
- Effective 1st April, 2007, employee benefit obligations have been measured/valued following the Accounting Standard 15 (revised 2005) on 'Employee Benefits' issued by The Institute of Chartered Accountants of India.

The accrued unprovided liability of existing employees as on 31st March, 2026 for future payments under the Payment of Gratuity Act, 1972 determined as per actuarial valuation amounts to **₹1494.78 lakh** (₹1537.99 lakh).

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

(₹ in lakh)

Employer's Contribution to Provident and Pension Fund **398.15** (383.62)

Employer's Contribution to ESIC Scheme **121.96** (115.93)

Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognised in the same manner as Gratuity.

(₹ in lakh)

(A)	Gratuity (Partially funded)	
	Current Year	Previous Year
a) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Defined Benefit Obligation at the beginning of the year	2843.80	2752.09
Current Service Cost	207.81	234.60
Interest Cost	177.92	189.63
Actuarial (gain)/loss	(337.88)	(95.91)
Benefits (paid)	(246.76)	(236.61)
Defined Benefit Obligation at the year end	2644.88	2843.80
b) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	1305.80	1297.47
Expected return on Plan Assets	79.31	90.04
Employer's contribution	60.63	142.86
Actuarial gain/(loss) on Plan Assets	(48.89)	12.04
Benefits paid	(246.76)	(236.61)
Fair value of Plan Assets at the year end	1150.10	1305.80
c) Reconciliation of fair value of Assets and Obligations		
Fair value of Plan Assets	1150.10	1305.80
Present value of Obligation	2644.88	2843.80
Amount recognised in Balance Sheet (gratuity to the extent of ₹1494.78 lakh remains unprovided)	1150.10	1305.80
d) Expenses recognized during the year		
Amount provided and contributed to Group Gratuity Scheme	60.63	65.63

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

e) Actuarial assumptions

Mortality Table	2012-14(Indian Assured Lives)	2012-14(Indian Assured Lives)
Discount rate (per annum) compounded	7.12%	6.54%
Rate of escalation in salary (per annum)	6.00%	6.00%

Gratuity (Funded)					
	2025-26	2024-25	2023-24	2022-23	2021-22
Defined Benefit Obligation at the end of the year	2644.88	2843.80	2752.09	2762.89	2,566.87
Fair value of planned assets at the end of the year	1150.10	1305.80	1297.47	1241.72	1,166.56
Surplus/(Deficit)	(1494.78)	(1537.99)	(1454.62)	(1521.18)	(1,400.31)

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors. The expected return on Plan Assets is based on actuarial expectations of the average long-term rate of return expected on investments of the fund during the estimated terms of the Obligations. The above information is certified by the Actuary.

(B)

		Leave encashment (Unfunded)	
		Current Year	Previous Year
a)	Reconciliation of opening and closing balances of Defined Benefit Obligation		
	Defined Benefit Obligation at the beginning of the year	184.21	194.73
	Current Service Cost	68.97	64.51
	Interest Cost	8.56	10.00
	Actuarial (gain)/loss	28.87	26.55
	Benefits (paid)	(106.51)	(111.59)
	Defined Benefit Obligation at the year end	184.10	184.21
b)	Reconciliation of opening and closing balances of fair value of Plan Assets		
	Fair value of Plan Assets at the beginning of the year	-	-
	Expected return on Plan Assets	-	-
	Employer's contribution	106.51	111.59
	Actuarial gain/(loss) on Plan Assets	-	-
	Benefits paid	106.51	111.59
	Fair value of Plan Assets at year end	-	-
c)	Reconciliation of fair value of Assets and Obligations		
	Fair value of Plan Assets	-	-
	Present value of Obligation	184.10	184.21
	Amount recognised in Balance Sheet	184.10	184.21
d)	Expenses recognized during the year	(0.11)	(10.52)
e)	Actuarial assumptions		
	Mortality Table	2012-14(Indian Assured Lives)	2012-14(Indian Assured Lives)
	Discount rate (per annum) compounded	7.12%	6.54%
	Rate of escalation in salary (per annum)	6.00%	6.00%

The above information is certified by the Actuary.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

(₹ in lakh)

- 28** Disclosure of the amount due to the Micro, Small and Medium Enterprises (on the basis of the information and records available with the management):

	Particulars	Current year	Previous year
1	The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier - Principal amount - Interest thereon	50.23 Nil	58.30 Nil
2	The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small/Micro Enterprises.	Nil	Nil

The Company has circulated confirmation for the identification of suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. On the basis of information available with the Company under the aforesaid Act, there are Enterprises to whom the Company owes dues which are outstanding during the year-end. This has been relied upon by the Auditors.

- 29** In the management's perception, in accordance with Accounting Standard 17 on 'Segment Reporting' issued by The Institute of Chartered Accountants of India (ICAI), the Company has only one reportable segment namely 'Jute Goods'.
- 30** On 21 st November, 2025, the Government of India notified provisions of four Labour Codes, viz: The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020, subsuming twenty nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things, introduced changes including the uniform definition of wages. The Central Rules for the corresponding codes have been notified on 8th May, 2026.

The Company has evaluated the impact of the Labour Codes and the Rules notified thereunder based on the information presently available and the guidance issued by The Institute of Chartered Accountants of India. Based on such assessment, the Company does not have any material impact on its financial statements.

The Company continues to monitor the finalisation of State Rules and other clarifications relating to the implementation of the Labour Codes and will recognise the impact, if any, in the period in which the relevant provisions become applicable to the Company.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

31. Related Party Disclosures in accordance with the Accounting Standard 18 issued by ICAI are given below:

a. List of Related Parties:

Key Managerial Personnel	Jugal Kishore Bhagat - Chairman and Managing Director Ravi Bhagat -Chief Executive Officer Ashutosh Bhagat - Joint Chief Executive Officer Shrish Tapuriah - Independent Director Shrimati Nisha Agrawal - Independent Director Alok Kumar Khastagir - Non-executive Director Nirmal Pujara - Non-executive Director Sushri Swati Gautam - Non-executive Director Gopal Prasad Choudhary - Company Secretary (upto 12th August, 2025) Shiv Kumar Agarwal - Company Secretary (with effect from 12th August, 2025) Kishor Kumar Sonthalia -Chief Financial Officer
Relatives of Key Managerial Personnel	Rita Bhagat Vinita Bhagat Archita Bhagat
Enterprises over which Key Management Personnel and/or relatives are able to exercise significant influence	Ajanta Commercial & Trading LLP Ashutosh Spinners LLP Bansidhar Ghanshyamdass Bhagat Agencies Private Limited Bhagat Refinerers & Chemicals Private Limited Bhaskar Barter LLP CFM Infratex Limited Chhaya Rub-Chem LLP Ginni Securities Limited K.S.Agencies & Marketing LLP Lotus Enclave LLP Maya Chaya Construction LLP Maya Rub-Chem LLP Multitech Electronics LLP Narottamka Commercial Company Private Limited Penon Constructions LLP Raj Rajeshwar Promoters LLP Ravi Services & Trading Limited Reform Flour Mills Private Limited Rimjhim Traders & Dealers LLP Shiva Mercantile & Trading Company Private Limited Softex Compu-Data LLP Twinkle Lefin LLP Vedant Credit Finance Private Limited Viable Agencies & Marketing LLP

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

b. Transactions with related parties:

(₹ in lakh)

Particulars	Enterprises having significant influence		Key managerial Personnel and their relatives	
	2025-26	2024-25	2025-26	2024-25
Loan taken & repaid during the year				
- Bhagat Refinerers & Chemicals Private Limited	-	100.00	-	-
- Bhagat Agencies Private Limited	100.00	100.00	-	-
- Ravi Services & Trading Limited	-	50.00	-	-
Interest on borrowings				
- Bhagat Refinerers & Chemicals Private Limited	-	0.47	-	-
- Bhagat Agencies Private Limited	8.88	4.34	-	-
- Ravi Services & Trading Limited	-	1.19	-	-
Remuneration paid to Managing Director	-	-	127.39	110.87
Salary paid to KMPs other than Managing Director	-	-	274.85	252.05
Director Sitting Fees	-	-	2.40	2.45
Payment of Rent, Hire charges, Service charges and Maintenance charges	22.12	20.90	-	-
- Ravi Services & Trading Limited				
Dividend Paid	0.78	0.78	19.61	19.61
Guarantee given by Banshidhar Ghanshyamdass	For facilities from Punjab National Bank			

32 Earning Per Share (EPS)

The EPS has been calculated as specified in Accounting Standard 20 issued by ICAI and other disclosure in this regard are:

Particulars	2025-26	2024-25
Net profit/(loss) after tax available for Ordinary Shareholders (₹)	(240.36)	227.19
Weighted average number of Ordinary Share used as the denominator in calculating EPS	214,489	214,489
Basic and Diluted earning per Ordinary Share (Face value ₹100)	(112.06)	105.92

33 On the basis of physical verification of assets and cash generation capacity of those assets, in the management perception, there is no impairment of assets as on 31st March, 2026.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

34 Imported and Indigenous Raw Materials and Stores and Spare Parts Consumed (₹ in lakh)

	Raw Material Consumed		Stores and Spare Parts Consumed	
	Value	%	Value	%
Imported	358.29 (726.43)	1.68 (5.80)	- (-)	- (-)
Indigenous	20,942.63 (11,795.90)	98.32 (94.20)	681.13 (602.83)	100.00 (100.00)

35 C.I.F. Value of Imports

Raw Jute **39.26** (532.34)

36 Expenditure in Foreign Currency:

Travelling Expenses **32.94** (25.15)

37 Other Regulatory Information :

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.
- (iv) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (ix) There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (contd.)

38 Ratios : The followings are the analytical ratios:

Sl. No.	Particulars	Numerator	Denominator	Year ended	Year ended	Variance %
				31-03-2026	31-03-2025	
(i)	Current Ratio	Current Assets	Current Liabilities	1.23	1.26	(3.00)
(ii)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.17	0.18	(5.47)
(iii)	Debt Service Coverage Ratio*	Earning for Debts= Net Profit after taxes+Non-cash Operating Expenses like Depreciation and other Amortization+Interest	Debt Service= Interest+ Principal Repayments	0.39	1.11	(65.24)
(iv)	Return on Equity Ratio*	Net Profit after taxes	Average Shareholder's Equity	(1.15)	1.09	(205.93)
(v)	Inventory Turnover Ratio**	Sales	Average Inventory (Opening+ Closing/2)	5.54	4.33	27.72
(vi)	Trade Receivables Turnover Ratio**	Net Sales	Average Trade Debtors (Opening+Closing/2)	21.89	14.77	48.21
(vii)	Trade Payables Turnover Ratio**	Net Purchase of Raw material and Stock-in-trade	Average Trade Payables(Opening+Closing/2)	29.75	15.90	87.05
(viii)	Net Capital Turnover Ratio***	Net Sales	Working Capital=Current Assets - Current Liabilities	25.88	13.22	95.84
(ix)	Net Profit Ratio*	Net Profit after taxes	Net Sales	(0.82)	1.05	(178.52)
(x)	Return on Capital Employed*	Earning before Interest and Tax (EBIT)	Capital Employed = (Equity + Debt + Accrued Interest)	(0.06)	2.35	(102.47)
(xi)	Return on investment*	Profit after tax	Average Shareholder' s Equity	NA	NA	NA

* Primarily due to loss incurred during the current year as against profit earned in the previous year.

** Mainly due to increased sale during the current year in comparison to previous year

*** Mainly due to increased turnover and better utilisation of working capital during the current year.

39 Previous year figures are regrouped wherever necessary and are stated in brackets.

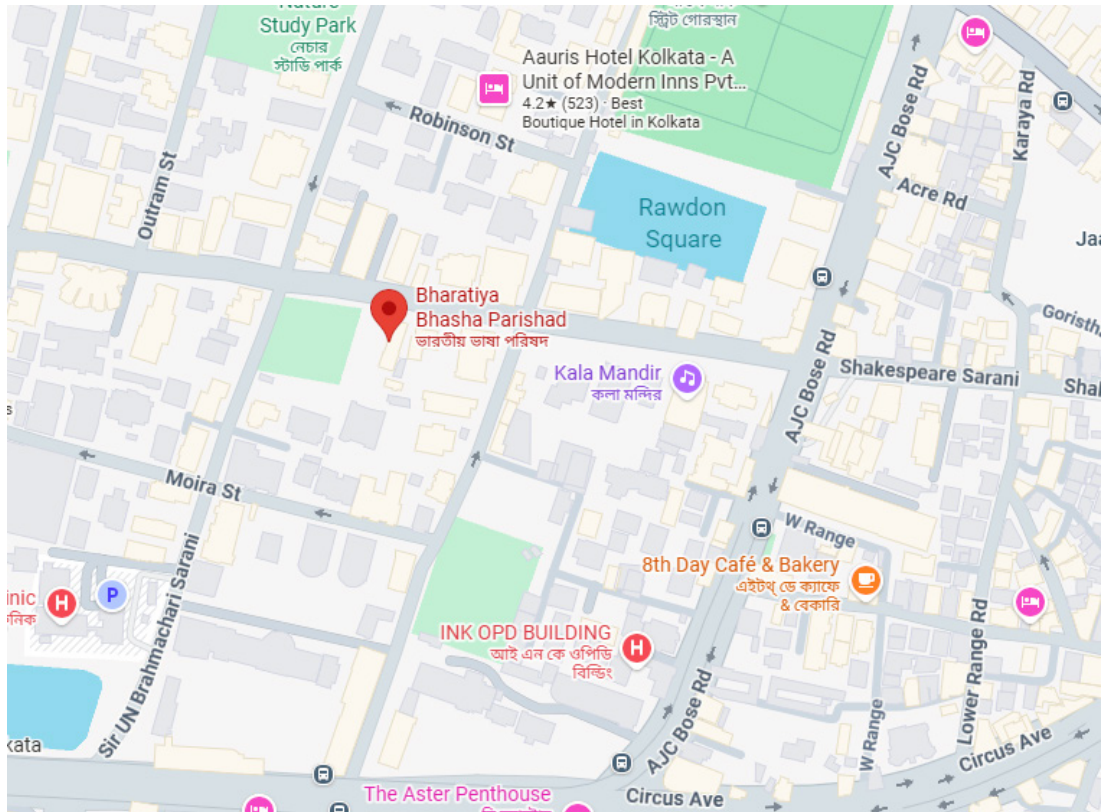
As per our Report of even date
For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E
KSHITIZ CHHAWCHHARIA
Partner
Membership No. 061087
UDIN: 26061087EMGPDQ2090
Place: Kolkata
Date: 25th June, 2026

RAVI BHAGAT
Chief Executive Officer
CA KISHOR KUMAR SONTALIA
Chief Financial Officer
CS SHIV KUMAR AGARWAL
Company Secretary

For and on behalf of the Board
JUGAL KISHORE BHAGAT
Chairman and Managing Director
DIN: 00055972

Route Map

To the venue of 121st Annual General Meeting at Conference Room, 4th Floor, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700017.



The prominent landmark near the venue is Shakespeare Sarani Police Station.

THE NAIHATI JUTE MILLS COMPANY LIMITED

CIN : U17119WB1905PLC001612

Registered Office : 7, Hare Street, 4th Floor, Kolkata-700001

ATTENDANCE SLIP

Registered Folio / DP & Client ID No. No. of Shares

Name of Member / Proxy / Authorised Representative

I hereby record my presence at the 121st Annual General Meeting of the Company being held on Thursday, the 27th day of August, 2026 at 3.00 P.M. at Conference Room, 4th Floor, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017.

.....
Signature of Member / Proxy /
Authorised Representative

Members, who come to attend the meeting, are requested to bring their copies of Annual Report with them

----- Cut here -----

THE NAIHATI JUTE MILLS COMPANY LIMITED

CIN : U17119WB1905PLC001612

Registered Office : 7, Hare Street, 4th Floor, Kolkata - 700001

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :		Email ID :	
Registered address :		Folio No. / DP & Client ID :	

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

(1) Name	Address
Email Id :	Signatureor failing him/her
(2) Name	Address
Email Id :	Signatureor failing him/her
(3) Name	Address
Email Id :	Signature

as my/our proxy to attend and vote for me/us and on my/our behalf at the 121st Annual General Meeting of the Company being held on Thursday, the 27th day of August, 2026 at 3.00 P.M. at Conference Room, 4th Floor, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions No.	
1.	Adoption of Financial Statement for the year ended 31st March, 2026
2.	Appointment of Shri Nirmal Pujara as a Director, liable to retire by rotation.
3.	Ratification of remuneration to be paid to Messrs. D. Radhakrishnan & Co., Cost Accountants as Cost Auditors for financial year ended 31st March, 2027.

Signed this day of2026

Signature of Shareholder

Signature of Proxy holder

Affix
Revenue
Stamp

Note : This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

If undelivered, please return to :

THE NAIHATI JUTE MILLS COMPANY LIMITED

7, HARE STREET, 4TH FLOOR

KOLKATA - 700 001